Investigation into Virgin Media Limited's conditions and procedures for contract termination

Confirmation decision under section 96C of the Communications Act 2003 finding Virgin Media contravened General Condition C1.8.

Non-confidential version – redactions marked with [✂]

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Annex

1. Overview

1.1 This Confirmation Decision sets out Ofcom's findings in this investigation and the evidence on which we are relying. The overview section of this document is a simplified high-level summary only. Our findings and reasoning are set out in the remainder of this document.

1.2 On 13 July 2023, Ofcom opened an investigation into whether Virgin Media Limited's ('**Virgin Media**') conditions or procedures for contract termination acted as a disincentive for customers changing their communications provider, contrary to General Condition ('**GC**') C1.8. The investigation followed customer complaints and Ofcom attempts to address this issue in earlier engagement with Virgin Media.

Summary: Our findings

We have found that, from 1 January 2022 until 11 September 2024 (being the day before One Touch Switch was launched by industry), Virgin Media's procedures for contract termination caused customers on millions of calls unreasonable effort, hassle and undue difficulty when trying to switch to another provider. We have concluded that these procedures acted as a disincentive to switch by delaying or preventing customers from taking advantage of a competitor's offer and, in doing so, undermined the fundamental purpose of GC C1.8.

Under Virgin Media's procedures, callers who wanted to cancel were put through to its retention team, which it split into two 'tiers' of agents. Only agents in the second tier were able to process cancellations. Under this procedure, customers on 1.2 million calls were made to repeat their request to cancel they had already made with an agent in the first tier, in another similar conversation with an agent in the second tier, in order to stand a chance of having their cancellation processed.

Although some callers may have been happy to discuss discounts and offers, many were not. During the period 1 January 2022 to 11 September 2024, we received a significant number of complaints from Virgin Media's customers who faced difficulties cancelling when they had contacted Virgin Media by telephone. Customers often reported making multiple attempts to cancel through further calls and other contact methods and in some cases resorted to cancelling their direct debits, which for some customers led to further difficulties such as missed payments impacting on their credit score.

Our analysis identified issues – and at least 649 complaints from Virgin Media's customers – relating to this two-tier system and/or other procedures that resulted in the following agent behaviours:

- repeated attempts to try to retain customers including by offering deals and discounts, when they had made it clear they wanted to cancel;
- unnecessary and/or excessive transfers to agents in departments outside of the retention team;
- excessive and/or repeated use of hold (in each case, where it was not necessary and/or used to delay or avoid a disconnection);
- deliberately dropped calls; and
- failures to put through cancellations on the system.

Virgin Media's procedures allowed and encouraged these agent behaviours by having:

- a commission scheme which effectively encouraged and financially rewarded agents for preventing customers from switching by using these behaviours, only reducing payouts in limited circumstances;
- training and guidance which failed to prevent these behaviours, including by not setting clear behavioural expectations or instructing against the use of these behaviours in mandatory training. Where voluntary training or guidance did cover some of these behaviours, the customer complaints we received indicated that it was often not being followed in practice;
- quality assurance and monitoring processes which were highly selective and narrow in their approach such that these behaviours were often overlooked. Even in the thousands of cases where some of these behaviours were identified, only very limited follow-up action was taken; and
- insufficient control, visibility and/or oversight over the third-party partners it entrusted to operate its call centre and quality assurance monitoring functions.

Many customers are likely to have experienced the above behaviours. In particular:

- many customers on nearly **1.7 million** calls were likely unnecessarily transferred to a department outside of Virgin Media's retention team;
- many customers on over **2.3 million** calls who were either transferred more than once during their call or who made another call to Virgin Media within 7 days, were likely to have experienced one or more of the behaviours set out above; and
- many customers on over **5.6 million calls** (that ended without a customer taking up a deal, being put through to another department or, in the case of customers who spoke with a second tier Retention Agent, having their cancellation processed) are likely to have experienced one or more of the behaviours set out above.

Virgin Media's own monitoring identified customers on thousands of calls that had experienced some of these agent behaviours.

Our determination is that Virgin Media's two-tier cancellation process and the agent behaviours listed above caused customers on millions of calls unreasonable effort, hassle and/or undue difficulty when trying to cancel. We have found that these procedures likely acted as a disincentive to switch for customers on millions of calls – and did, in fact, act as a disincentive for at least 649 customers who complained to Ofcom – by delaying or preventing them from taking advantage of a competitor's offer (in some cases, for weeks, months or even years).

GC C1.8 is an important consumer protection provision, designed to ensure that customers can benefit from the offers available to them. Virgin Media has been fined by Ofcom on various occasions, including for a breach of the same rule in 2018 (as well as other fines for failing to comply with statutory information requests). Our view is that previous penalties do not appear to have provided a sufficient incentive for Virgin Media to comply with its regulatory requirements. Taking into account all the evidence and our Penalty Guidelines, we consider this case to be a serious contravention of our rules for which a more substantial penalty of £28 million would be appropriate and proportionate. This penalty includes a 30% discount on the penalty figure of £40 million which we would have otherwise imposed, which reflects the resource savings achieved by Ofcom as a result of Virgin Media's admission of liability and its completion of Ofcom's settlement process.

The penalty takes into account a number of other factors including:

- the significant consumer harm experienced by customers for nearly three years and the associated financial gain Virgin Media is likely to have made;
- the steps and decisions Virgin Media took in implementing its procedures, and its repeated failures to appropriately identify and prevent the resulting consumer harm until the end of the Relevant Period; and
- Virgin Media’s repeated failings with respect to information gathering during the course of our investigation, including its failure to ensure the provision of accurate, complete and/or consistent information to Ofcom in response to statutory information requests.

The level of penalty is intended to send a clear message to Virgin Media (and wider industry) that it is not acceptable to implement, encourage or allow procedures that undermine the fundamental purpose of our regulatory rules or take a selective approach to compliance. It is intended to deter Virgin Media (and wider industry) from breaching GC C1.8 and other regulatory obligations in the future and ensure they take, and continue to take, appropriate steps to ensure compliance from the date rules are effective and so deliver better outcomes for consumers.

2. Introduction

2.1 This investigation concerns the rule set out in GC C1.8 that communications providers shall ensure their conditions and procedures for contract termination do not act as disincentives for customers switching to new providers.[1]

2.2 Consumers should be able to exercise choice and take advantage of competition in communications markets by being able to switch provider easily. Unnecessary barriers can harm customers, making switching difficult or preventing it entirely in some cases. The objective of customers being able to exercise their right to choose better deals became particularly important due to sharp increases in the cost of living in the UK during 2021 and 2022 and the continuing financial pressures on households.

Virgin Media and cross platform switching

2.3 Virgin Media is part of VMO2, which brings together Virgin Media's fixed telecoms and Telefonica's O2 mobile businesses. This investigation concerns Virgin Media, which supplies broadband and phone line services to residential and business customers, using its own cable and fibre networks.[2] During the period of 1 January 2022 to 11 September 2024 (the '**Relevant Period**'), customers who wanted to switch away from Virgin Media had no other option but to contact it to cancel their service(s) in order to move to a provider on another network. Virgin Media's Retention Team handled over 12 million calls from customers during the Relevant Period,[3] compared with its core customer base of 5.8 million fixed line customers.[4] In the months before and during the Relevant Period, we received a significant number of complaints from customers reporting difficulties in trying to cancel their services with Virgin Media.[5]

2.4 On the day after the end of the Relevant Period, the One Touch Switch ('**OTS**') system was launched by industry. This system meant that customers no longer needed to contact their existing provider (in this case, Virgin Media) to switch to a provider on another network or vice versa.[6] By the end of 2025 and across the broadband sector, two million customers had used this process to switch their provider.[7] Virgin Media noted in its letter dated 12 November 2025 that the *"vast majority of disconnections"* are now handled through OTS.[8]

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[1] See Section 3: Regulatory Framework.
[2] About Us, Virgin Media, accessed on 26 February 2026. This joint venture was launched on 1 June 2021.
[3] Follow-up Response to Fourth Information Request, 9 May 2025, Question (26)(a), *'Annex 26(a)'*. Data indicates that 12,189,731 calls were handled during the Relevant Period (see footnote 341).
[4] Full Year Results 2022, Virgin Media; Full Year Results 2023, Virgin Media; Full Year Results 2024, Virgin Media; Virgin Media's fixed line network passed 15.6 million premises in 2022, Response to Ofcom's consultation on improving the accuracy of CLI data, Virgin Media, 26 April 2022.
[5] See Annex 2: Analysis of complaints and call recordings.
[6] Simpler and quicker broadband switching is here, Ofcom, 12 September 2024.
[7] Pricing and consumer engagement, Ofcom, 26 February 2026.
[8] Letter from Virgin Media to Ofcom providing supplemental information to the investigation, 12 November 2025.

Engagement before the investigation

2.5 For just over two years prior to opening this investigation, Ofcom engaged with Virgin Media about the difficulties that its current and former customers had reported when trying to cancel their services. Our objective was to encourage improvements by Virgin Media in this area. We first raised concerns with Virgin Media in our letter to it on 5 February 2021, which also included raising concerns over the difficulties customers were encountering in trying to get through to speak with an agent.[9] As part of the engagement, we met with Virgin Media on a number of occasions, including on 9 September 2021, 16 June 2022 and 2 June 2023.

2.6 During this time, we repeatedly drew Virgin Media's attention to the volume and nature of complaints that our Consumer Contact Team ('**CCT**') received and regularly shared details of these with Virgin Media.[10] We highlighted that we continued to receive more complaints from Virgin Media customers about difficulties cancelling than for other providers combined.[11] We also highlighted specific areas of concern. For example, in July 2022, we noted that customers were reporting that they had been passed around different departments, that they had experienced dropped calls after attempts by an agent to get them to renew their contract and that there were cases of customers believing they had successfully cancelled their contract but then discovering they were still being billed the following month.[12]

2.7 In January 2023, Virgin Media advised Ofcom that it had *"completed a deep dive into the 16 Ofcom [CCT] complaints in December [2022] (and all previous months)"* and had contacted the customers to resolve issues where required, although it is not clear if this included any redress.[13]

2.8 Virgin Media took a number of steps over the course of this engagement, many of which improved the time it took and/or the ability of customers to reach an agent (such as improvements to information on its website about cancellation, increasing agent resource, prioritising internal call transfers and introducing other cancellation channels).[14] Issues relating to the time it took and/or the ability of customers to reach an agent are not within scope of this investigation.

2.9 During this engagement, Virgin Media also took some steps related to its cancellation processes which are within the scope of this investigation, and which are considered where relevant in Sections 4 to 6 below. These included gathering customer experience feedback and making changes to training and guidance and to its commission scheme.

2.10 Despite ongoing engagement with Virgin Media in the first half of 2023, we continued to receive large numbers of complaints from customers and remained concerned that Virgin

[9] Letter from Ofcom to Virgin Media, 5 February 2021.
[10] Ofcom provided details of cases where consent had been obtained by the original complainant to share them with the provider.
[11] See Figure 3 in Annex 2: Chart showing monthly volume of 'difficulty cancelling' complaints about Virgin Media versus other major providers combined.
[12] Email from Ofcom to Virgin Media, 7 July 2022.
[13] Follow-up Response to First Information Request, 16 February 2024, Question (17), *'OFCOM update FY22',* slide 5. These were CCT complaints where the customer had agreed their personal details could be shared with Virgin Media.
[14] See paragraph 2.5 referring to engagement with Virgin Media including meetings on 9 September 2021, 16 June 2022 and 2 June 2023.

Media had not addressed the issues continually reported in the complaints. As a result, on 13 July 2023, we opened this investigation.[15] We saw a brief spike in complaint volumes after we announced the opening of the investigation, with more customers sharing experiences, before volumes returned to their previous lower but concerning levels (see Annex 2, Figures 1 and 2).

Our investigation

2.11 In order to conclude our investigation and make findings, it is necessary to identify a relevant period over which to assess Virgin Media's compliance with GC C1.8. The Relevant Period for this investigation is 1 January 2022 to 11 September 2024 inclusive. Although Ofcom first raised concerns about the difficulties customers were having cancelling their services with Virgin Media in February 2021, the start date of the Relevant Period takes into account the impact that the Covid-19 pandemic had on the provision of customer service generally. The end of the Relevant Period is the day before the (revised) industry launch date for OTS, recognising the anticipated reduction in calls to cancel as a result. As explained above, this is because OTS means customers no longer need to contact their existing provider to switch to another provider on another network.[16] Importantly, however, OTS does not remove Virgin Media's obligation to comply with GC C1.8 going forwards and indeed customers may still wish to contact their losing provider about their switch if they wish or need to do so (for example, because the account matching process has failed).[17]

2.12 During the investigation, Ofcom issued four statutory requests for information to Virgin Media, referred to in this document as the '**First Information Request**', '**Second Information Request**', '**Third Information Request**' and '**Fourth Information Request**'. The purpose of the first two Information Requests was to understand Virgin Media's procedures relating to cancellation requests, guidance and training, commission scheme, and quality assurance and monitoring.[18] The Third Information Request requested records (emails, calls, messages and digital chat logs) relating to a sample of complaints made to Ofcom's CCT between August 2023 and February 2024.[19] The Fourth Information Request requested clarifications to information provided in earlier responses, together with updated statistical data.[20] Virgin Media's responses to the First and Fourth Requests were provided in two separate submissions for each; throughout this Confirmation Decision, we indicate where we refer to the earlier or later of these using '**Initial Response**' and '**Follow-up Response**'.[21]

[15] The investigation initially included Virgin Media's compliance with Ofcom rules relating to complaints handling practices and facilitating access to Alternative Dispute Resolution. We subsequently entered into a period of close engagement with VMO2 about this relating to both of its brands to encourage improvements and this closed on the basis of changes VMO2 made. We removed this from the scope of the investigation.
[16] Simpler and quicker broadband switching is here, Ofcom, 12 September 2024.
[17] Statement: Quick, easy and reliable switching, Ofcom, 3 February 2022.
[18] The First Information Request was issued on 18 October 2023, with a follow-up request issued on 26 January 2024. The Second Information Request was issued on 31 July 2024.
[19] The Third Information Request was issued on 6 November 2024.
[20] The Fourth Information Request was issued on 8 April 2025.
[21] Virgin Media responded to Ofcom's First Information Request on 29 November 2023 (and the follow-up request on 16 February 2024), the Second Information Request on 28 August 2024, the Third Information Request on 4 December 2024 and the Fourth Information Request on the 29 April 2025 and 9 May 2025.

2.13 Our findings are based on the information that Virgin Media provided, together with customer complaints made to Ofcom (and associated Virgin Media call recordings where relevant).

Background

Areas of focus

2.14 During the Relevant Period, Ofcom's CCT received 1,881 complaints from Virgin Media customers regarding 'difficulty cancelling'. We undertook analysis of these complaints, and we have set out our full findings at Annex 2.

2.15 In brief, our analysis of the 1,881 customer complaints found that the majority of customers who had experienced difficulty cancelling had contacted Virgin Media via telephone – 73% indicated that they had contacted Virgin Media by telephone ('**Voice**') only or alongside attempting other methods of contact.[22] We therefore decided to focus this investigation on whether customers were disincentivised to switch when they contacted Virgin Media by its Voice method of contact. Our analysis established that there were at least 649 complaints received from customers who had called Virgin Media which related to one or more of the issues set out below.[23]

Section 2, Table 1: Issues raised in CCT complaints

Issue raised in complaint	Number of times raised
The customer's call was disconnected while speaking to an agent in the Retention Team ('**Retention Agent**')[24]	At least 344
The customer's request to cancel was not actioned by the Retention Agent	At least 134
The customer was subjected to inappropriate retention activity including offers being made after they had made it clear they wished to cancel	At least 143
The customer call was transferred excessively, unnecessarily or incorrectly	At least 191
The customer was put on hold or mute or the Retention Agent otherwise paused the conversation unnecessarily, for extended periods or repeatedly in one call	At least 94
The customer experienced inconvenience as a result of being subject to what appears to be the two-tier cancellation process (as defined below at paragraph 2.16(ii))	At least 121

[22] We have calculated this by marking whether or not the contact methods mentioned by customers in their complaints included Voice. This figure is where it is clear the customer used the Voice method at some stage of their cancellation.
[23] The methodology we have used for the analysis we have carried out of CCT complaints is set out at Annex 2.
[24] We refer to agents who handled calls to Virgin Media's Retention Team as 'Retention Agents'. Virgin Media refers to them as 'Retention/s Customer Service Agents'.

2.16 We identified there were likely two main drivers for these issues:

(i) A range of behaviours being employed by Retention Agents to avoid customers cancelling or switching, specifically agents making repeated 'save' attempts when the caller had made it clear they wanted to cancel; agents unnecessarily putting calls on hold or transferring them to other agents or departments; agents deliberately dropping calls; and failing to action cancellations (referred to in this document as the '**Relevant Behaviours**'); and

(ii) The existence of a process whereby many customers who called to cancel could not have their cancellation processed in their first conversation with a Retention Agent but were instead transferred to another agent described as working in a separate 'cancellations' (or similar) department who repeated the same conversation as the first but could process the cancellation (referred to throughout this Confirmation Decision as the '**two-tier cancellation process**').

2.17 Our analysis of customer complaints identified many customers who experienced multiple barriers (i.e., one or more Relevant Behaviour(s) and/or the two-tier cancellation process) when calling Virgin Media to cancel. Some spoke of their frustrations and of the impact of their experiences. For example, one customer stated they *"believe virgin media disincentivises their call centre staff from completing customer requests to cancel their contracts"*.[25] Another customer was *"too anxious about calling again"* to confirm their service had been cancelled as they did not want to *"have to go through an hour of questioning just to simply cancel an order"*.[26] Our findings from our analysis of customer complaints are set out in full in Annex 2.

2.18 We have focused our investigation on the two drivers mentioned in paragraph 2.16, i.e. the Relevant Behaviours and the two-tier cancellation process. As explained in Annex 2, we recognise that customers may have experienced other issues with Virgin Media's cancellation processes. While this investigation did not focus on behaviours other than those at 2.16(i) above, this does not mean that other behaviours were compliant with Virgin Media's regulatory obligations. We make no findings as to whether other behaviours beyond the Relevant Behaviours may have disincentivised switching in contravention of GC C1.8.

Virgin Media's Retention Teams and the role of Retention Agents

2.19 During the Relevant Period, Virgin Media customers who wanted to move from Virgin Media to another provider would need to contact it to do so via one of the contact channels offered by Virgin Media. Those who called Virgin Media to cancel were directed to a Retention Agent, usually via its Interactive Voice Response ('**IVR**') system.[27] The main reason customers

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[25] See CCT complaint example 12 at paragraph A2.34 of Annex 2. We note that this customer experienced inappropriate retention activity, unnecessary and/or excessive use of hold, the two-tier cancellation process and a deliberately dropped call when calling to cancel their broadband service.

[26] See CCT complaint example 7 at paragraph A2.26 of Annex 2. We note that this customer experienced unnecessary and/or excessive transfers, a deliberately dropped call, unnecessary and/or excessive use of hold and inappropriate retention activity.

[27] IVR is an automated telephone system that can route calls based on input from the caller. Tier 1 Retention Agents could only be reached via IVR routing; Tier 2 Retention Agents could be reached directly through the IVR, via a transfer from Tier 1 or via a transfer from another team outside of the two-tier cancellation process.

called Virgin Media's Retention Team was to make a *"disconnection request"*.[28] During the Relevant Period, Virgin Media's Retention Agents handled over **12 million calls**.[29]

2.20 To reach the Retention Team from Virgin Media's IVR menu, callers would need to select option 4 ("*Package changes/moving house"*) from the four options they were first presented with and then would need to select option 4 ("*thinking of leaving Virgin Media"*) from the next five options they were given. Virgin Media's IVR system directed customers to one of two teams ('**Tiers**') in its Retention Team, depending on whether the customer was considered at low risk (Tier 1) or high risk (Tier 2) of leaving. Retention Agents in Tier 1 could discuss contracts and make offers for discounts but were not able to process a cancellation.[30] These price and discount offers were part of a toolkit for Tier 1 Retention Agents to offer customers as a 'retention incentive'.[31] Customers who had been put through to a Tier 1 Retention Agent initially but who still wished to cancel would need to be transferred to a Tier 2 Retention Agent, who would make further offers in an attempt to retain the customer but who could process a cancellation. Customers at *"high risk"* of cancelling were routed directly by the IVR system to a Tier 2 Retention Agent, who had access to deeper discounts.[32]

2.21 Retention Agents would take the customer through the security authentication process before establishing their reason for calling.[33] Retention Agents were expected to ask the customer for their reasons for cancelling and were generally encouraged to retain or 'save' customers (including through the offer of discounts). They stood to gain financially from Virgin Media's commission scheme if the customer did not end up cancelling for any reason (see paragraph 2.23 below).[34] Where a customer decided to leave and the Tier 2 Retention Agent needed to process a disconnection, they would need to put this through on Virgin Media's internal system called 'ICOMS' in order for this to take effect.[35] The outcome of calls dealt with in Tier 1 or Tier 2 was recorded in a system called 'Salespoint'.[36]

2.22 Virgin Media used two third-party partner companies, [Partner A][37] and [Partner B], to handle retention calls and Retention Agents were based in a number of locations globally.⍰ The majority (approximately 90%) of Retention Agents were [38] [Partner A].⍰ The same cancellation and retention processes applied across all Retention Agents and the

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[28] Initial Response to Fourth Information Request, 29 April 2025, Question (1), *'Retentions Team Disconnection Barriers Insight Jan 2024 - March 2025'*.

[29] See footnote 341.

[30] Follow-up Response to First Information Request, 16 February 2024, Question (9). We set out Virgin Media's two-tier cancellation process in more detail below in Section 4 from paragraph 4.124.

[31] Response to Second Information Request, 28 August 2024, Question (4)(c).

[32] Follow-up Response to First Information Request, 16 February 2024, Question (2)(c).

[33] Response to Second Information Request, 28 August 2024, Question (13).

[34] We set out Virgin Media's commission scheme in more detail in Section 4 from paragraph 4.8.

[35] Follow-up Response to Fourth Information Request, 9 May 2025, Question (3)(a), *'Q3 – Supporting Docs – Annex 3(c)'*, sub-folder *'24- Disconnecting Services', 'Facilitator_Notes_Disconnecting customers_v1.0'*.

[36] Response to Second Information Request, 28 August 2024, Question (7)(iii). Salespoint is described as *"the system used to log outputs of calls and digital chats for Tier 1 and Tier 2 Retentions Customer Service Agents"*.

[37] Virgin Media explained in response to Question (2) of its Follow up Response to First Information Request, 16 February 2024, that [Partner A] was previously named '[✂]'. In this document, we refer to it as '[Partner A]'.

[38] Initial Response to First Information Request, 29 November 2023, Question (2), *'IVR & Call routing'*.

performance of Retention Agents was overseen by Team Managers, who were also employed by [39]Partner A] and [Partner B].[40]

2.23 Throughout the Relevant Period, Virgin Media operated a commission scheme for its Retention Agents.[41] Under this scheme, Tier 1 Retention Agents were set targets which encouraged them to transfer a low proportion of customers from Tier 1 to Tier 2 (i.e. to an agent who had the ability to process a cancellation). Tier 1 Retention Agents would receive commission for meeting or exceeding these targets. Tier 2 Retention Agents were also set targets, which encouraged them to 'save' a very high proportion of customers, and they would receive commission for meeting or exceeding these targets. Team Managers were paid commission based on the aggregated performance of their team against targets.

Structure of this document

2.24 This document sets out the evidence that underpins our findings on the contravention and our assessment of the appropriate level of penalty. The structure of this document is as follows:

- In **Section 3**, we set out the regulatory framework relevant to this investigation.
- In **Section 4**, we set out our findings and the reasons for determining that Virgin Media contravened GC 1.8.
- In **Section 5**, we set out our conclusion in relation to the level of financial penalty we consider appropriate to impose on Virgin Media in relation to our breach finding.
- In **Section 6**, we discuss the remedial steps that Virgin Media must take in order to comply with GC C1.8 and reduce customer harm.

2.25 This document also contains the following annexes:

- **Annex 1:** Section 96C Notification.
- **Annex 2:** Analysis of CCT complaints and associated Virgin Media call recordings.
- **Annex 3:** Issues with Virgin Media's approach to responding to information requests.

[40] Follow-up Response to First Information Request, 16 February 2024, Question (2).
[41] See paragraphs 4.8 to 4.25 and 4.127 to 4.128 in Section 4 for more detail on Virgin Media's commission scheme.

3. Regulatory framework

Relevant regulatory requirements

General Conditions of Entitlement

3.1 Under section 45 of the Communications Act 2003 ('**the Act**'), Ofcom has the power to set regulatory conditions with which all, or a sub-set of, providers of electronic communications networks and services operating in the UK must comply. These are known as the General Conditions of Entitlement.[42]

3.2 GC C1 is an important consumer protection provision which sets out the conditions relating to contract requirements. GC C1.8 states:

> *Without prejudice to any Commitment Period, Regulated Providers shall ensure that conditions or procedures for contract termination do not act as disincentives for Relevant Customers against changing their Communications Provider.*[43]

3.3 GC C1.8 implemented Article 105(1) of the European Electronic Communications Code (the '**EECC**'). Recital 273 of the EECC explains the rationale to Article 105(1) as follows:

> *In order to take full advantage of the competitive environment, consumers should be able to make informed choices and to change providers when it is in their best interest to do so. It is essential to ensure that they are able to do so without being hindered by legal, technical or practical obstacles, including contractual conditions, procedures and charges…*

3.4 GC C1.8 was previously known as GC 9.3 which initially came into force in 2011,[44] when Ofcom implemented Article 30 of the Universal Services Directive.[45] The condition has been amended over the years, most recently in December 2021 to implement the EECC (including to extend its scope so that it applied to bundles). At the same time, GC 9.3 was also renumbered to GC C1.8.[46] GC C1.8 has remained in its current form since 17 December 2021.

[42] See: General Conditions of Entitlement - Ofcom.

[43] For the purposes of GC C1.8, 'Relevant Customers' are Consumers (i.e. residential customers), Microenterprise or Small Enterprise Customers and Not-For-Profit Customers. We refer to these collectively as 'customers' in our guidance and in this Confirmation Decision.

[44] Statement on Changes to General Conditions and Universal Service Conditions, Implementing the revised EU Framework, Ofcom, 25 May 2011.

[45] Directive 2002/22/EC, Article 30, paragraph 6 (as inserted by Directive 2009/136/EC). The policy objective was set out in recital 47 of Directive 2009/136/EC.

[46] Statement: Fair treatment and easier switching for broadband and mobile customers, Ofcom, 27 October 2020.

Judgment from the Competition Appeal Tribunal

3.5 A judgment from the Competition Appeal Tribunal ('**CAT**'), issued on 27 January 2020, explained the scope of what is now GC C1.8 and the legal test which needs to be met in order to establish a breach (including in relation to evidence of a disincentive to switch).[47]

3.6 This judgment dismissed an appeal brought by Virgin Media against a decision by Ofcom that Virgin Media had breached GC C1.8 (then GC C9.3) as a result of the way it handled and applied early termination charges when customers requested cancellation of their services, resulting in a disincentive for customers in switching provider.

3.7 The CAT clarified what may comprise *"procedures"* within the scope of what is now GC C1.8. It stated:

> *Both Article 30(6) (now Article 105(1) EECC) and GC 9.3 refer to "conditions" and "procedures". The reference to "conditions" is clearly apt to cover price and other contractual terms, but "procedures" goes further, and covers the steps that a customer needs to take – the hoops that must be jumped through – in order to change provider. This might include, for example, procedures that made it excessively difficult to contact a CP, or obtain information, about switching…*[48]

3.8 The CAT also clarified that a failure to follow conditions or procedures can be considered a procedure in itself.[49]

3.9 In addition, the judgment confirmed that procedures do not need to be in writing to fall within the scope of what is now GC C1.8.[50]

Evidence of a disincentive to switch

3.10 In relation to evidence of a disincentive to switch, the CAT found that Ofcom must use an objective and reliable method to determine whether a condition or procedure has an objectively measurable impact on consumer behaviour. This means that, in order to find a breach of GC C1.8, there must be:

(i) a condition or procedure for contract termination that acted as a source of discouragement; and

(ii) evidence that the condition or procedure acted as a disincentive and had an impact on consumer behaviour.[51]

3.11 As part of this, the CAT found that:

> *A disincentive is not limited to something that actually deters a particular action, but also extends to things that mean that the step is less likely to be taken: is there some cost or other hindrance which makes the step less attractive, such that customers*

[47] *Virgin Media Limited v Office of Communications* [2020] CAT 5, 27 January 2020 (the '**CAT Judgment**'), paragraph 74.
[48] The CAT Judgment, paragraph 74.
[49] The CAT Judgment, paragraph 80.
[50] The CAT Judgment, paragraph 74 and 80.
[51] The CAT Judgment, paragraph 100-102.

> *may choose not to take it? … It does not mean that customers are necessarily deterred.*[52]

3.12 It further stated:

> *… The requirement for an objective and reliable method relates not to the source of discouragement as such, but to the question whether the relevant condition or procedure acted as a disincentive. If there was no impact at all on customer behaviour then the test is unlikely to be met. For that reason, for example, a very small overcharge might not be shown to act as a disincentive. If there was an objectively measurable impact then that will be evidence that the condition or procedure acted as a disincentive. There may be an impact even if switching was not delayed or prevented in "most cases" … Indeed, that phrase implies that there was some impact.*[53]

3.13 The CAT also confirmed that there is no materiality threshold that needs to be met in order to demonstrate an impact on consumer behaviour (i.e. there is no requirement to demonstrate a certain number of customers were disincentivised):

> *We do not accept that some particular threshold of materiality should be read into GC [C1.8]. As we have said at [102] above, if there is no objectively measurable impact then it is unlikely that it will be demonstrated that the relevant condition or procedure acts as a disincentive. If an impact on customer behaviour is shown … then the level of materiality may well be relevant to the quantum of penalty, but not to the prior question of whether GC [C1.8] is engaged at all.*[54]

Ofcom's guidance on GC C1

3.14 During the Relevant Period, Ofcom had in place guidance on GC C1, which was intended to assist communications providers in complying with the minimum requirements of GC C1 by outlining Ofcom's likely approach to investigating compliance.[55]

3.15 This included guidance on GC C1.8 ('Condition C1.8: Conditions and procedures for contract termination'). Specifically, the guidance outlined Ofcom's likely approach to investigating whether certain conditions or procedures for contract termination comply with GC C1.8,[56] and set out examples of what we consider to be good practice (as identified through our monitoring and enforcement work).

3.16 Paragraphs 1.46 to 1.48 of the guidance set out Ofcom's interpretation of what should be considered as *"conditions or procedures for contract termination"* and *"disincentives"*. The guidance states:

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[52] The CAT Judgment, paragraph 100.
[53] The CAT Judgment, paragraph 102.
[54] The CAT Judgment, paragraph 106.
[55] Two versions of this guidance were in place during the Relevant Period: (i) December 2021 and (ii) June 2022. The guidance in relation to GC C1.8 was substantially the same in the two versions. Where we cite excerpts from the guidance below, these are taken from the June 2022 version. These excerpts remained the same in the December 2021 version besides references to *"provider"* and *"customer"* (which had replaced references to *"CP"* and *"end user"* respectively in the December 2021 version).
[56] As set out in the guidance, this is not an exhaustive list of the types of conditions or procedures that Ofcom may consider under GC 1.8.

> ***1.46*** *We consider that "conditions or procedures for contract termination" should be interpreted broadly. In particular, we consider that, as well as covering industry practices and a provider's contractual conditions, a provider's internal processes may also be procedures that potentially provide a disincentive to switch providers. Such internal processes need not necessarily be in writing, as it is their effect that is relevant, rather than their form. In addition, we consider that behaviour of individual customer service agents that is inconsistent with a provider's written or established conditions or procedures could itself amount to a breach of Condition C1.8 in certain circumstances; for example, if it demonstrated a failure by the provider to have sufficient procedures in place to ensure agents are properly trained, or for monitoring their compliance with the internal procedures.*
>
> ***1.47*** *We consider that to act as a "disincentive" a condition or procedure does not necessarily have to prevent a customer from terminating (although it may do so). A condition or procedure could cause unreasonable effort, hassle or undue difficulty when seeking to terminate a contract such that it acts as a disincentive for a customer even if that customer ultimately still completes a switch of provider.*
>
> ***1.48*** *We recognise that some customers contacting providers about ending their services will have chosen to do so in order to have a conversation about any offers or options available to them and to take advantage of any discounts that the provider might provide as a result of those conversations. This can be beneficial to the customers concerned, and we are not seeking to prevent these conversations for those customers who wish to have them. However, we are also aware that other customers want to terminate their services without having these conversations and in those circumstances prolonged retention activity may act as a disincentive. Providers should consider the needs of these customers within their conditions and procedures to ensure that they do not act as a disincentive against changing provider.*

3.17 Paragraphs 1.54 to 1.55 of the guidance address internal processes for customer service agents handling termination requests and include some examples of what we consider to be good practice:

> ***1.54*** *As noted above, we recognise that providers are likely to wish to seek to retain customers that express an intention to switch providers, usually through a conversation (referred to throughout this guidance as "a retention conversation"). We note that some customers will welcome a retention conversation, while others will not.*
>
> ***1.55*** *Where the retention conversation occurs, we expect providers to have procedures in place to ensure that:*
>
> *a) customer service agents' incentive schemes do not encourage poor agent behaviour that constitutes or otherwise gives rise to a disincentive for the customer to switch.*
>
> *b) customers' intentions are recorded and actioned correctly.*
>
> *c) customer service agents understand what retention activity is appropriate, particularly in circumstances where it is evident that a customer does not want to have a retention conversation.*

Good practice in this area includes:

(i) incentive schemes that do not: (a) penalise customer service agents for terminating contracts in response to a customer's request or for correctly identifying that a customer does not want to have a retention conversation; nor (b) reward customer service agents for failing to process termination requests.

(ii) sending written confirmation to customers once a termination request is processed.

(iii) ensuring customer service agents make clear notes on a customer's file about any retention conversation or offers made so that they can be accessed, and taken account of, by other agents.

(iv) clear internal guidance, regular briefings and ongoing training for agents about how to identify if a customer making a termination request wants to do so without having a retention conversation, and what is appropriate retention activity in these circumstances. For example, making clear that in circumstances where a customer does not want to have a retention conversation, the agents understand it is not appropriate to engage in any further retention activity and that they should instead promptly process the request.

(v) specific procedures in place for customers who have made non-real-time requests as, given their preferred communication option, these customers may be more likely to not want to have a retention conversation.

(vi) monitoring and quality assurance processes in place to ensure that their conditions or procedures do not act as a disincentive to switching. Advisors who fall short of the behaviours required of them are subject to an appropriate disciplinary process.

(vii) clear written internal policies and processes for customer service agents handling termination requests (e.g. training and briefings) and regular reviews of these to ensure changes are made as required. For example, if a pattern of poor behaviour is identified via monitoring procedures, providers then take steps to ensure that it does not occur in the future, and any necessary changes are made to their internal policies and processes, including guidance, training and quality assurance procedures.

Importance of the regulatory requirements

3.18 In order for telecoms customers to take full advantage of the market and of the offers available from providers, an easy switching process must be facilitated by communications providers.

3.19 Ofcom considers that it is of vital importance that consumers should be able to exercise choice and take advantage of competition in communications markets by being able to switch provider with ease. Unnecessary barriers and difficulties when switching can harm customers, particularly financially.

3.20 Ofcom has given particular focus to this issue during the cost-of-living crisis,[57] and we are committed to holding industry to account where regulatory requirements are not met. At a

[57] Supporting phone and broadband customers through the cost-of-living crisis, Ofcom, 13 July 2023.

time when households are reporting difficulty in affording their communications services,[58] it is more important than ever for customers to have real choice when it comes to selecting their provider and packages.

3.21 Ofcom recognises that non-compliance with GC C1.8 has a direct impact on consumers' ability to save costs when it comes to their communications services.

Ofcom's enforcement powers

3.22 Ofcom has the power to take enforcement action under the Act against providers failing to comply with the General Conditions. This includes opening investigations into providers where appropriate and proportionate, in line with our Regulatory Enforcement Guidelines.

3.23 Where Ofcom decides that there are reasonable grounds for believing that the subject of the investigation is contravening or has contravened the relevant regulatory requirements, Ofcom can issue a provisional decision under section 96A of the Act. The provisional decision will specify the contravention and, where applicable, the period within which the subject should comply with the notified condition(s) and remedy the consequences of the notified contravention(s).[59]

3.24 Where Ofcom remains satisfied that the subject of the investigation is contravening or has contravened any of the relevant statutory requirements, Ofcom can issue a final decision under section 96C of the Act.

3.25 As a result of an enforcement investigation, Ofcom may be minded to issue a financial penalty. In determining the amount of any such penalty, Ofcom will have regard to our Penalty Guidelines.[60]

3.26 In some cases, Ofcom may consider it appropriate to settle a regulatory investigation. Ofcom's Regulatory Enforcement Guidelines sets out this process.[61]

[58] Communications Affordability Tracker, Ofcom, 2 February 2026.
[59] Regulatory Enforcement Guidelines for investigations, Ofcom, 31 January 2025, page 42.
[60] Penalty Guidelines, Ofcom, 14 September 2017.
[61] Regulatory Enforcement Guidelines for investigations, Ofcom, 31 January 2025, pages 27-28.

4. Our findings

Introduction

4.1 In this section, we explain our conclusion that Virgin Media contravened General Condition C1.8 during the Relevant Period (i.e. between 1 January 2022 and 11 September 2024).[62] We have found that Virgin Media's procedures, both individually and collectively, led to customers being disincentivised against switching to another provider through:

(i) Internal processes or procedures which involved or resulted in Retention Agents engaging in certain behaviours (what we refer to as the 'Relevant Behaviours', defined below at paragraph 4.5); and

(ii) Virgin Media's two-tier cancellation process.

4.2 We first establish that the Relevant Behaviours occurred. We also explain Virgin Media's commission scheme, training and guidance, and approach to monitoring and follow-up, including how those procedures allowed and encouraged the Relevant Behaviours. Second, we establish that Virgin Media implemented and operated a two-tier cancellation process. We then explain how the Relevant Behaviours and two-tier system both effectively created *"hoops that must be jumped through",*[63] causing Virgin Media's customers unreasonable effort, hassle or undue difficulty when trying to switch provider.

4.3 We then provide evidence that these procedures, individually and/or collectively, acted as a disincentive to switching and had a material impact on consumer behaviour either through delaying a customer's decision to switch or resulting in them not switching at all.

4.4 Our findings rely on, and refer to, various evidence, including:

(i) complaints made by customers to Ofcom's CCT (as well as associated Virgin Media call recordings);

(ii) feedback that customers provided to Virgin Media;

(iii) Virgin Media's structure and organisation, its approach to training and guidance, monitoring and follow-up and its commission scheme; and

(iv) data provided by Virgin Media, including about the 12 million calls that were handled during the Relevant Period,[64] and things that happened within and at the end of those calls.

Relevant Behaviours

4.5 We have found that Virgin Media had in place internal procedures and processes which involved or resulted in Retention Agents engaging in certain behaviours. We first became

[62] The contents of this Confirmation Decision relate to all of the Relevant Period, unless otherwise stated or the context requires otherwise (for example, where a new process was introduced, or other change occurred during the Relevant Period).
[63] The CAT Judgment, paragraph 74.
[64] See footnote 341.

aware of and identified these behaviours from our analysis of CCT complaints, the results of which we set out in full at Annex 2. These behaviours (which we refer to collectively as the '**Relevant Behaviours**') are as follows:[65]

(i) **Inappropriate and/or excessive retention attempts**: By continuing to make 'save' attempts to retain the customer (including by asking questions about the customer's use of services, making counter offers and responding to customer objections) when the customer had made it clear they wanted to cancel, in some cases repeatedly. We identified at least 143 CCT complaints relating to this issue – see paragraphs A2.24 to A2.29 of Annex 2.

(ii) **Unnecessary and/or excessive transfers**: By transferring customers unnecessarily and/or excessively to other departments and between Retention Agents, in some cases repeatedly. We identified at least 191 CCT complaints relating to this issue – see paragraphs A2.18 to A2.23 of Annex 2.

(iii) **Excessive and/or repeated use of hold**: Placing customers on hold or otherwise pausing a call (including through silent time or mute) for an excessive period of time and/or repeatedly (in each case, where it was not necessary and/or used to delay or avoid a disconnection). We identified at least 94 CCT complaints relating to this issue – see paragraphs A2.30 to A2.35 of Annex 2.

(iv) **Deliberately dropping calls**: By prematurely ending calls before a customer's request to cancel could be actioned. We identified at least 344 CCT complaints relating to this issue – see paragraphs A2.36 to A2.41 of Annex 2.[66]

(v) **Failing to log and/or process disconnection requests**: By not logging and/or processing a disconnection that had been agreed and communicated to the customer. We identified at least 134 CCT complaints relating to this issue – see paragraphs A2.42 to A2.44 of Annex 2.

4.6 Ofcom's CCT received complaints describing the existence and impact of Relevant Behaviours throughout the Relevant Period and volumes of these complaints only began reducing towards the end of the Relevant Period (see Figure 1 and 2 at paragraph A2.2 of Annex 2). Complainants also often referred to experiencing more than one Relevant Behaviour in a call and to Relevant Behaviours being used repeatedly – see paragraph A2.13 of Annex 2.[67]

4.7 We set out below our determination on how Virgin Media's internal processes involved or resulted in Retention Agents engaging in the Relevant Behaviours, namely:

(i) how incentives created by Virgin Media's commission scheme effectively encouraged and financially rewarded the use of Relevant Behaviours;

[65] We consider the complaints set out at (i) to (v) to be the minimum number of complaints relating to the customer experiencing one or more of the Relevant Behaviours when they called Virgin Media. There were many other complaints which are less clear on the contact method the customer used, or the issues experienced, but which we consider still provide relevant evidence of difficulty cancelling. Our approach to, and the results of, our analysis of CCT complaints is set out at Annex 2.
[66] This relates to calls that had already been routed to a Tier 1 or Tier 2 Retention Agent and does not include where a customer was in a queue waiting to be connected to the next available Retention Agent.
[67] See, for example, CCT complaint examples 1 at paragraph A2.16, CCT complaint example 3 at paragraph A2.18 and CCT complaint example 12 at paragraph A2.34 of Annex 2.

(ii) how training and guidance Virgin Media provided to Retention Agents failed to prevent the Relevant Behaviours; and

(iii) how Virgin Media's quality assurance and monitoring processes (including any subsequent follow-up action) failed to identify and/or address the Relevant Behaviours.

Virgin Media's commission scheme for Retention Agents

4.8 We have found that the way in which Virgin Media operated its commission scheme meant that it effectively encouraged and financially rewarded Retention Agents for preventing customer cancellations by engaging in the Relevant Behaviours. This is because it encouraged Retention Agents to 'save' high volumes of callers but there were limited guardrails in place to reduce commission and these only applied in specific circumstances related to the Relevant Behaviours. This meant Retention Agents were likely to receive commission where Relevant Behaviours were used (i) to end calls at Tier 1 without a transfer to Tier 2, or (ii) to achieve or exceed the high retention targets that were set for Tier 2.

4.9 We recognise that commission schemes are used to encourage results from agents, and we have no objection to the use of such schemes in principle. However, as set out at paragraph 3.17 above, Ofcom's GC C1.8 guidance states that we expect providers to have procedures in place to ensure that incentive schemes for customer service agents do not encourage poor agent behaviour that constitutes or otherwise gives rise to a disincentive for the customer to switch. It also lists good practice in this area as providers not having incentive schemes that: (i) penalise agents for terminating contracts in response to a customer's request or for correctly identifying that a customer does not want to have a retention conversation; and (ii) reward agents for failing to process termination requests.

Commission scheme targets

4.10 Under Virgin Media's commission scheme, Retention Agents could receive commission for meeting or exceeding certain targets.[68] A Retention Agent had to be within a certain amount of a set target against Key Performance Indicators ('**KPIs**') in specific categories to be eligible to earn On Target Commission ('**OTC**').[69] The KPIs most relevant to the retention and cancellation process were:

(i) **Churn**: For Tier 1 calls, this was the proportion of customers not transferred to Tier 2 (targets related to the proportion of callers that were transferred and ranged from 22 to 31%). For Tier 2 calls, this was the proportion of customers who did not cancel (i.e. the 'retention rate' or 'retention target', with targets ranging from 85 to 91%).[70]

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[68] Initial Response to First Information Request, 29 November 2023, Question (13), *'Commission Detail',* slide 4. Virgin Media explained that alongside the standard scheme, it offered additional promotions (including entry to a prize draw to win a voucher). For example, one additional promotion (*'Perfect_Day_23_Briefing_Pack'*) included entry into a prize draw where a Retention Agent had met their commission targets over a specified period. We understand this also applied to Team Managers.

[69] Follow-up Response to First Information Request, 16 February 2024, Question (11), *'Incentive Scheme Summary'.* The document *'Incentive Schemes Summary'* provided details on individual key targets for Virgin Media's three core KPIs.

[70] Response to Second Information Request, 28 August 2024, Question 1(a), *'VP Targets_Aug_*24', Question (4)(b), *'Ofcom_Q4_Data'*. Column I of *'Ofcom_Q4_Data'* sets out the Tier 1 'Churn' targets for each month of

(ii) **Conversion**: The nature of this target varied over time but was initially based on the volume of customers Retention Agents were able to re-contract.[71] The target for Tier 1 Retention Agents ranged from 14 to 36% and the target for Tier 2 Retention Agents ranged from 29 to 46% for most of the period this applied.[72]

(iii) **Revenue**: This was based on the value of a customer's existing package prior to the start of the call compared to the value at the end of the call.[73] The target was variable for both Tier 1 and Tier 2 Retention Agents based on incoming 'ARPU' (or average revenue per user).[74]

4.11 'Churn' and 'Revenue' carried the most weight in determining a Retention Agent's total commission, with the weighting varying between 20% and 60% during the Relevant Period, but most frequently set at 40% or 50% of total commission each.[75] Virgin Media also applied 'accelerators' and 'decelerators' which increased or reduced commission payments in each specific category. If Retention Agents were at least 5.5% over any of the targets, an 'accelerator' would be applied on a sliding scale, meaning they could achieve up to 250% of full commission against that target. Further prominence was given to the 'Churn' target in that, if a Retention Agent missed the 'Churn' target by more than 4%, a 'decelerator' would be applied and their total commission across all categories (rather than just the 'Churn' category) would be reduced by 50%. If they missed it by more than 5%, they would receive

the Relevant Period (up to July 2024). Column J sets out the Tier 2 'Churn' targets for each month of the Relevant Period (up to July 2024). Virgin Media removed the 'Churn' category as a commissionable KPI in September 2024 (see paragraph 4.24(i) below), Initial Response to Fourth Information Request, 29 April 2025, Question 1(e).

[71] Response to Second Information Request, 28 August 2024, Question (1)(a).

[72] Follow-up Response to First Information Request, 16 February 2024, Question (9*).* Monthly Conversion targets which focused on re-contracting were contained within the January 2022 to January 2023 and January 2024 to September 2024 monthly target packs referenced in footnote 75. January, March, April, May, June and July 2022 monthly target packs state a number, rather than a percentage target, ranging from 141 to 170 for Tier 1 Retention Agents and 144 to 175 for Tier 2 Retention Agents. This excludes Conversion targets for [✂] and [✂] from April 2022 to July 2022. For a limited time during the Relevant Period (from June to September 2024), Tier 2 Conversion target was variable based on incoming 'ARPU' (average revenue per user). This was also the case for Tier 1 in September 2024.

[73] Response to Second Information Request, 28 August 2024, Question (1)(a).

[74] Response to Second Information Request, 28 August 2024, Question (1)(b). 'Average Revenue Per User' is a metric measuring the average revenue a company generates from each user over a specific time period.

[75] Follow-up Response to First Information Request, 16 February 2024, Question (9), *'VP Targets [April 22 to December 2023]'*; Response to Second Information Request, 28 August 2024, Question 1(a), *'Targets Retain Jan 2022'*, *'Retain_[✂]_Targets_0222 (002)'*, *'Retain_IH_Targets 0322'* and *'VP Targets [January 2024 to August 2024]'*; and Initial response to Fourth Information Request, 29 April 2025, Question 1(e), *'September 2024 Target Pack'.* Virgin Media removed the 'Churn' category as a commissionable KPI in September 2024 (see paragraph 4.24(i) below). These slide decks set out the previous month's performance (except for January 2022 to March 2022) and set the targets and weightings for the upcoming month. The January 2022 to March 2022 target packs were created by [Partner A] (previously known as [✂]) for their Retention Agents and the 'Churn' metric applied as an 'accelerator/decelerator' for Tier 1 and Tier 2 Retention Agents. Virgin Media explained that [Partner B] were unable to provide these documents for this period. For a limited time during the Relevant Period (between April and July 2022), we understand from the *'VP Target'* packs that the 'Churn' metric applied as an 'accelerator/decelerator' for Tier 1 and Tier 2 Retention Agents at sites other than [✂] and [✂].

no commission at all.[76] In addition, Retention Agents could also be subject to disciplinary action if they consistently failed to meet KPIs.[77]

4.12 Virgin Media defined the 'Churn' (or retention) target (set out at paragraph 4.10(i) above) as the *"% of customer voice conversations that resulted in no disconnections being booked based on agents with +90 days tenure"*.[78] This and the 'Conversion' (or re-contracting) target (set out at 4.10(ii) above) left around 60 to 66% of customers who were retained through means other than re-contracting, including those who were transferred to other teams. Virgin Media referred to this type of call outcome as 'Save Non-Recontract'.[79] It is not possible to quantify the exact number of callers in this category who were unsuccessful in cancelling and we recognise that some of these callers may have been logged by Retention Agents as ending the call to consider offers and potentially call back. It is, however, our view that many callers in this category would have been unsuccessful in cancelling.

4.13 We consider that it is likely that the 'Churn' and 'Conversion' targets encouraged Retention Agents to find ways to avoid transferring customers to Tier 2 or avoid processing significant numbers of disconnections if they could not re-contract the customer.

Guardrails to reduce or remove commission

4.14 Alongside decelerators which could reduce commission for lower than desired performance against commissionable KPIs, Virgin Media could reduce commission in certain other circumstances.[80] While some of these reductions may have been designed to discourage poor agent behaviour, we have found that these were limited in scope and effect.

4.15 For example, there was a decelerator called 'First Time Resolution' ('**FTR**'), a performance metric which measured the proportion of calls handled which did not result in the same customer calling back to any team for any reason within seven days.[81] For the purposes of the FTR metric, Virgin Media also confirmed that a customer was deemed to have 'called back' within seven days if they were "*transferred to another agent internally*", in any team, more than once within a single call.[82] If a Retention Agent underperformed by 1% against the FTR target, they could lose 10% of total commission and, if they underperformed by 4% or more, they could lose 30% of total commission.[83] There are indications that, at times, FTR targets may not have been met due to, for example, increasing numbers of customers experiencing dropped calls (see paragraph 4.110). However, the FTR targets – which ranged between 67 to 73% for Tier 1 and 72 to 75% for Tier 2[84] – meant that Retention Agents would only begin to face reductions in commission when a significant number of callers

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[76] Response to Second Information Request, 28 August 2024, Question (1)(b). The relevant information is on page 12, under the heading '*Step 3 - Application of accelerators and/or decelerators*'.
[77] Follow-up Response to First Information Request, 16 February 2024, Question (11), *'Performance Management Process*'.
[78] Follow-up Response to the First Information Request, 16 February 2024, Question (12), *'Data_Request_14.02.24'*; Response to Second Information Request, 28 August 2024, Question (7)(i).
[79] Response to Second Information Request, 28 August 2024, Question (3)(b).
[80] Response to Second Information Request, 28 August 2024, Question (1)(a).
[81] Response to Second Information Request, 28 August 2024, Question (1)(a) and (b), Question (2) and Question (5)(a) and (b).
[82] Response to Second Information Request, 28 August 2024, Question (2).
[83] Response to Second Information Request, 28 August 2024, Question (1)(b).
[84] Follow-up Response to First Information Request, 16 February 2024, Question (9*).* Monthly FTR targets were contained within the monthly target packs referenced in Footnote 75.

(around a quarter to a third of callers) dealt with by a Retention Agent rang back within seven days or were transferred more than once in a single call.[85]

4.16 Commission could also be reduced by the application of 'penalty factors'.[86] For example:

(i) **Churn Feedback**:[87] For Tier 2 Retention Agents, an instance of validated 'Churn Feedback' (where an agent reported another agent for not processing a customer's request to cancel on a previous call for any reason when they should have done, and the Team Manager validated it) reduced a Retention Agent's commission by 5%. Across the Relevant Period, over 93,000 submissions of Churn Feedback were logged and around 27,500 (just less than 30%) were marked as valid.[88]

(ii) **Logging outcomes:** For Tier 2 Retention Agents, a system-generated report of a Retention Agent logging a disconnection on ICOMS (an internal system that enabled it to be processed) but not on Salespoint (an internal system designed to capture sales information) resulted in a 5% reduction of commission.[89] In our view, this is unlikely to have had a material impact on whether or not Retention Agents were failing to process an agreed disconnection because the report did not monitor whether a disconnection order had been raised on ICOMS in order for it to actually be processed.

(iii) **Formal disciplinary proceedings:** For Retention Agents in either Tier, the result of formal disciplinary proceedings could be that the Retention Agent's commission was reduced or removed entirely. Retention Agents could lose all commission for *"escalations for sales fraud, rudeness to customers, making derogatory statements regarding competitor offerings and system manipulation".*[90]

4.17 In relation to Tier 1, we have concluded that none of the penalty factors were designed to discourage or prevent Retention Agents from engaging in the Relevant Behaviours in order to avoid transferring customers to Tier 2 and meet the low 'Churn' target that Virgin Media had set. The weighting that applied to the 'Churn' metric fluctuated during the Relevant Period

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[85] There were 12,189,731 calls handled by Virgin Media's Retention Team during the Relevant Period (see footnote 341). 25 to 33% of this would be 3,047,432 to 4,022,611 calls.

[86] Response to Second Information Request, 28 August 2024, Question (1)(a) and (1)(a)(iii).

[87] Response to Second Information Request, 28 August 2024, Question Question(1)(a)(iii) and (1)(d). Virgin Media explained that Churn Feedback was one of the reporting mechanisms available to agents via its 'AFTER' feedback tool. The training module 'RS – AFTER 3' shows other types of feedback agents could provide via AFTER, including 'Credits/Revenue' and 'Insufficient notes'. The training module 'After Categories Rocket Science' shows that Churn Feedback was *"anything to do with a disconnection. It could be a disconnection not keyed, incorrect information given to avoid the disconnection, not logged or transferred to movers or vice versa. Basically if you've had to log a disconnection that someone else should have done."* It is our view that the fact that the 'Churn Feedback' process was designed to identify Retention Agents failing to log disconnections, indicates an awareness and/or concern that Retention Agents were routinely failing to log disconnections, or that there was at least potential for them to do so. The volume of Churn Feedback submissions, including those validated, indicates that the failure to log disconnections was systemic, and more than just accidental or an error in process.

[88] Initial Response to Fourth Information Request, 29 April 2025, Question (19), *'Updated Q1 data'*. The exact figure for valid Churn Feedback was 27,487. Churn Feedback could apply to both Voice and Messenger Retention Agents, and it is therefore our understanding that the figures cited relates to both.

[89] Response to Second Information Request, 28 August 2024, Question (1)(a)(iii). The 'Disconnections Not Logged' metric was also trialled briefly as a gating requirement in July and August 2023, before becoming an additional penalty factor.

[90] Response to Second Information Request, 28 August 2024, Question(1)(a)(iii).

and Virgin Media, at times, reduced the weighting for 'Churn' for Tier 1 (as well as Tier 2) Retention Agents during the Relevant Period (including in August 2023 from 50% to 40% and again in January 2024 from 40% to 30% for Tier 1 Retention Agents).[91] However, no significant changes were made to the underlying target set for the proportion of calls Tier 1 Retention Agents transferred – the same applies for the underlying 'Churn' target for Tier 2 (as indicated in paragraph 4.10(i) above for both Tier 1 and Tier 2).

4.18 For Tier 2, we consider that Churn Feedback would have been the most relevant penalty factor which had the potential to prevent Retention Agents from receiving commission for engaging in a Relevant Behaviour. However, as noted above at paragraph 4.16(i) above, this process had significant limitations and, in any case, could only reduce commission by small increments.

4.19 As indicated at paragraph 4.15 above, for both Tier 1 and Tier 2, the FTR performance metric as a decelerator could have also reduced commission by larger amounts, but only when around a quarter to a third of callers rang back within seven days or were transferred more than once in a single call. We have therefore concluded that it was generally likely to be financially worthwhile for Retention Agents to use Relevant Behaviours to achieve a 'save' or avoid transferring a customer to Tier 2, even if this occasionally resulted in a small reduction of commission.

4.20 For the reasons set out above, we have determined that Virgin Media's commission scheme encouraged and financially rewarded Retention Agents for using the Relevant Behaviours to discourage or prevent customers from switching. Contrary to Ofcom's guidance (set out at paragraph 4.9 above), we consider that this meant that Virgin Media had procedures in place which meant its commission scheme effectively encouraged poor agent behaviour (i.e. the Relevant Behaviours) which constituted or otherwise gave rise to a disincentive to switch. In doing so, Virgin Media's commission scheme was also inconsistent with the good practice set out in Ofcom's guidance both by (i) penalising Retention Agents for terminating contracts in response to a customer's request and for correctly identifying that a customer did not want to have a retention conversation; and (ii) rewarding Retention Agents for failing to process termination requests.

4.21 We have also found that the incentive for Retention Agents to engage in the Relevant Behaviours to maximise their commission was exacerbated by:

(i) the limited and insufficient guardrails Virgin Media built into its commission scheme to reduce or remove commission for Retention Agents that used the Relevant Behaviours;

(ii) the fact Team Managers were financially incentivised not to take appropriate action against Retention Agents that may have used the Relevant Behaviours (given that Team Managers were paid under the same scheme rules based on the aggregated performance of their Team, including against retention targets); [92] and

[91] See paragraph 4.11 and footnote 75; Follow-up Response to Fourth Information Request, 9 May 2025, Question (26)(b). These reductions in August 2023 and January 2024 appear to be in response to the recommendation to review existing KPI weightings for *"those which may drive incorrect behaviours, i.e. T2 Transfers"* following [Partner A]'s review of a sample of repeat calls from March 2023 (see paragraph 4.71(iii)).

[92] Follow-up Response to First Information Request, 16 February 2024, Question (9),

(iii) gaps in training and guidance (see paragraphs 4.26 to 4.41 below) and quality assurance and monitoring processes (see paragraphs 4.42 to 4.121 below).

4.22 We have also concluded that Virgin Media's commission scheme exacerbated and/or reinforced the obstacles put in place by the two-tier cancellation process (discussed further from paragraph 4.124, in particular paragraphs 4.127 to 4.128, below).

4.23 Following a review of repeat calls, one of Virgin Media's third-party partners, [Partner A], made a number of recommendations relating to the commission scheme in March 2023.[93] In response, and as noted at paragraph 4.17 above, Virgin Media made changes to the weighting that applied to Churn for Tier 1 Retention Agents in August 2023 and again in January 2024. However, in response to the other recommendation to *"implement a commission structure which drives the correct behaviours*" which noted that using FTR as an accelerator would help achieve or support this,[94] it is our understanding that Virgin Media made no changes at the time (though see paragraph 4.25 below).

4.24 At the very end of the Relevant Period and in response to the new OTS requirements, Virgin Media made a number of changes to its commission scheme in the following areas (taking effect on 1 September 2024).[95] We welcome these changes, which we consider support our findings about the way the commission scheme previously operated. The changes included:[96]

(i) **Changes to OTC targets and categories:** Virgin Media removed the 'Churn' category as a commissionable KPI to *"de-emphasise outcomes focused solely on disconnection prevention and to shift focus towards positive, measurable customer engagement actions."* Virgin Media's commission scheme is now focused on the re-contract rate and the value of contracts retained through an update to the Revenue category, which it said, *"ensures that commission is only earned for calls where the agent actively secures a re-contract, eliminating any reward for inactivity or passivity on the call"*. Virgin Media considered that the changes to its OTC targets and categories *"prevents any unintentional incentive to avoid booking disconnections"*.

(ii) **Changes in accelerators and decelerators:** Virgin Media has now included accelerators for *"exceptional performance, such as exceeding conversion or FTR thresholds"* and decelerators for *"compliance breaches"* and failures to meet quality assurance thresholds.

4.25 While the changes set out above are positive for customers who called after the Relevant Period, we consider that they are likely to have had almost no meaningful impact within it, given they only took effect from 1 September 2024 (i.e. for the last eleven days of the Relevant Period) and OTS (which came into effect only days later on 12 September 2024) removed much of the need for customers to call Virgin Media. We have also found that

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'Incentive_Schemes_Summary'. Slide 3 states that: *"Team Managers will be paid under the same scheme rules based on the aggregated performance of their Team"*.

[93] Follow-up Response to Fourth Information Request, 9 May 2025, Question (26)(b), *'Annex 26(f)'*. Virgin Media notes at footnote 20 of its response to the Fourth Information Request that there is a typographical error in this document whereby it is dated 'May 2023'. Virgin Media confirmed that March 2023 is the correct date.

[94] Follow-up Response to Fourth Information Request, 9 May 2025, Question (26)(b), *'Annex 26(f)'*.

[95] Email from [✂] attaching response to clarificatory question on Question (1)(e) of the Fourth Information Request, 8 August 2025.

[96] Initial Response to Fourth Information Request, 29 April 2025, Question (1)(e)(iii).

Virgin Media was slow (having taken over a year) to make changes to *"drive the correct behaviours"*, such as making FTR an accelerator in September 2024 (despite this being recommended in March 2023 in the review of repeat calls referred to in paragraph 4.23 above).

Training and guidance

4.26 Our conclusion is that Virgin Media's training and guidance was insufficient and/or ineffective in terms of its scope, content and/or implementation to the extent it failed to prevent customers from being subject to the Relevant Behaviours during the Relevant Period.

4.27 In particular, we have found that (i) Virgin Media's mandatory training did not set clear behavioural expectations connected to the Relevant Behaviours, including by instructing Retention Agents against using the Relevant Behaviours; and (ii) Virgin Media's guidance missed key aspects of the Relevant Behaviours and was, in any case, self-serve voluntary guidance. Even where there was relevant training and/or guidance in place on the Relevant Behaviours, the volume and nature of CCT complaints we received on the Relevant Behaviours (see Annex 2 for more detail) suggests that this was not being followed in practice.

4.28 As mentioned in paragraph 3.16 above, Ofcom's GC C1 Guidance states that the behaviour of individual agents that is inconsistent with a provider's established procedures can itself amount to a breach of GC C1.8 if, for example, there is a failure of the provider to have sufficient procedures in place to ensure agents are properly trained or for monitoring their compliance with the internal procedures.

4.29 We discuss Virgin Media's mandatory training, and its guidance and other relevant resources provided to Retention Agents separately below.

Mandatory training

4.30 Virgin Media required all Retention Agents to complete mandatory induction training before starting their role and engaging with customers.[97] Induction training comprised of online training and tests to check knowledge, as well as classroom-based sessions which supplemented the content of online training.[98] We understand that this training was focused on the procedural steps and processes related to cancellation that Retention Agents should follow, including sales and objection handling techniques.[99] It was aimed at teaching Retention Agents what they should do rather than focusing on behaviours they should avoid – Virgin Media described it as being *"designed to teach agents how to handle customer calls appropriately, e.g. equipping them with the knowledge and skill set such that they would not*

[97] Follow-up Response to First Information Request, 16 February 2024, Question (2). Virgin Media also explained in its response to Question (6) of the Fourth Information Request that, from March 2022 onwards, [Partner A] required its Retention Agents to read and sign a briefing sheet called *'CR Call Type Brief'* that included information about the types of calls they would receive, what outcomes to record and the procedure to follow where a call dropped.

[98] Follow-up Response to Fourth Information Request, 9 May 2025, Question (3).

[99] Follow-up Response to Fourth Information Request, 9 May 2025, Question (3).

need to place a customer on hold or be in a position where they may drop calls."[100] The modules most closely related to the retention and cancellation process were:[101]

(i) **Module 22, 'Commercial Awareness and Revenue'**: This module gave an introduction to the importance of value and revenue to Virgin Media, and provided guidance on retention-based conversations, with an emphasis on building the right package for the customer (including discounts that could be available).

(ii) **Module 23, 'Saving Customers'**: The aim of this module was to explore the knowledge and tools required to save customers. It provided training and roleplay scenarios on how to build the most suitable package for a customer via active listening. The module also touched on how to add relevant sales information to Salespoint.

(iii) **Module 24, 'Disconnecting Services'**: The aim of this module was to explore the knowledge and tools required to complete a disconnection order for customers. It discussed why customers leave and how to recommend any offers that might suit them. It covered partial and full disconnections. The module also covered how agents were to use ICOMS to process disconnection orders and things to consider regarding number porting and Early Disconnection Fees.

(iv) **Module 25, 'Final Bill**': This module related to the technical aspects of final billing, along with instructions on how to input relevant outcomes in Salespoint. This module also featured a 'best practice' example call, which Virgin Media provided a copy of.[102]

4.31 Due to the limited scope of these modules, we have concluded that they did not set clear behavioural expectations connected to the Relevant Behaviours, including not instructing Retention Agents against using these behaviours. In fact, only one of these modules – Module 24 ('Disconnecting Services') – appears to contain guidance or instructions connected to the Relevant Behaviours by acknowledging that some customers leave and that it was important to make this as easy as possible.[103] However, while it covered the practical steps Retention Agents would need to follow to log and process disconnections, it did not acknowledge the behavioural aspect that Retention Agents may intentionally not log disconnections at all.

4.32 Besides induction training, Retention Agents were also required to complete other mandatory online training modules, some of which were around *"new business content"*.[104] One of these modules was called 'Science of Compliance'. This noted Virgin Media's obligation to comply with Ofcom's regulatory requirements more generally, although it made no specific reference to the requirement to not disincentivise switching under GC C1.8.[105] Other mandatory online training included *"annual refresher"* training but only one of these modules was issued during the Relevant Period, which was on the topic of 'Data and

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[100] Initial Response to Fourth Information Request, 29 April 2025, Question (5)(a).
[101] Follow-up Response to Fourth Information Request, 9 May 2025, Question (3)(a), *'Annex 3(c)'*. This Annex contained the presentation slides for each of these modules, together with facilitator/trainer notes on how to run sessions, customer scenarios and notes to handout to Retention Agents on subjects covered.
[102] Follow-up Response to Fourth Information Request, 9 May 2025, Question (3)(b*), 'Annex 3(d)', 'Difficult Disconnect'.*
[103] Follow-up Response to Fourth Information Request, 9 May 2025, Question (3)(a), *'Annex 3(c)'.*
[104] Initial Response to Fourth Information Request, 29 April 2025, Question (4).
[105] Initial Response to Fourth Information Request, 29 April 2025, Question (4)(i), *'Science of Compliance'*.

Privacy'.[106] We have therefore found that none of these mandatory online training modules issued during the Relevant Period provided any clear instructions, guidance or expectations to Retention Agents relating to any of the Relevant Behaviours.

Rocket Science modules

4.33 Retention Agents who had completed mandatory training also had access to a number of self-serve 'Rocket Science' modules. Virgin Media explained that Rocket Science modules were used for coaching and were designed to *"reinforce behavioural expectations or provide practical tips rather than being designed as the initial learning tool that a* [Retention Agent] *would receive as part of their formal induction training".*[107] It is not clear, however, from our review of relevant mandatory training and other resources noted above where the behavioural expectations that these modules were to reinforce were set.

4.34 A number of the Rocket Science modules covered content on some aspects of the Relevant Behaviours, including advising Retention Agents:[108]

(i) to make save attempts, including by asking 'lifestyle questions' about the customer's usage ('Lifestyle Questions' module),[109] but to stop retention conversations where a customer made clear their intention to cancel ('Appropriate Retain Conversations' module, introduced in July 2022);[110]

(ii) to only make transfers when *"absolutely necessary"* and to speak with both the department the caller is being transferred to, and the caller, to let them know before transferring ('Transfer' module);[111]

(iii) on transferring customers to Collections, which we assume contained guidance on the circumstances where customers should have been transferred to this department (however, Virgin Media did not provide a copy of this Rocket Science module, so we do not know the exact guidance it contained) ('Transfers to Collections' module);[112]

(iv) to log calls appropriately ('Account Notes' module);[113]

(v) to complete the disconnection if they are unable to retain the customer (by processing it in ICOMS and logging in Salespoint), and not to leave an account active

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[106] Initial Response to Fourth Information Request, 29 April 2025, Question (4).
[107] Initial Response to Fourth Information Request, 29 April 2025, Question (5).
[108] Where relevant, we have stated when the relevant Rocket Science module came into force during the Relevant Period. Where we have not specified this, it is our understanding that the module was in place throughout the Relevant Period.
[109] Follow-up Response to First Information Request, 16 February 2024, Question (2), *'RS_Lifestyle Questions'.*
[110] Follow-up Response to First Information Request, 16 February 2024, *'RS_Appropriate-Retain-Conversations'.* This module applied to all Retention Agents (Tier 1 and Tier 2), however, it did not contain specific or dedicated guidance for Tier 2 Retention Agents on how they should handle calls that had been transferred from Tier 1 where a customer had already made clear that they wanted to leave.
[111] Initial Response to First Information Request, 29 November 2023*,* Question (6)(c), *'RS_Transfer'.*
[112] Initial Response to Fourth Information Request, 29 April 2025, Question (24)(c). This was referred to in the following two documents containing communications to Retention Agents: '*Transfers to Collections – Getting it right first time – 29th February 2024' and* '*Transferring to Collections – 3rd May 2024'.* Virgin Media, however, did not provide a copy of the actual module. 'Collections' was the team handling customers who were in arrears with payments.
[113] Initial Response to First Information Request, 29 November 2023, Question (6)(d), *'RS_Account-Notes'*.

if a 'save' has not been agreed with the customer ('Disconnecting Customers' module);[114] and

(vi) to take ownership of the call, resolve queries first time and not to transfer a customer to another department if they could resolve the issue ('FTR' module, introduced in March 2022).[115]

4.35 Other modules missed key aspects of the Relevant Behaviours, including by advising Retention Agents to:

(i) use hold when *"absolutely necessary",* not to use it *"just to put the deal through"* (noting the need to sometimes put customers on hold and the potential for it to be for an extended period of time) and to update the customer at least every 180 seconds if the hold is for an extended time, but without an absolute prohibition on or clearly instructing against the excessive (including for extended or long periods of time) and/or repeated use of hold, in each case where it is not necessary and/or is being used to delay or avoid a disconnection ('Hold' module);[116] and

(ii) call customers back if a call dropped and to log a disconnection if one was requested before the call dropped, but without making reference to deliberately dropping calls or, in particular, containing an explicit or clear instruction or prohibiting against doing so ('Dropped Calls' module).[117]

4.36 These Rocket Science modules were also self-serve and voluntary, meaning there was no general requirement for Retention Agents to complete Rocket Science modules,[118] although Team Managers could direct individual Retention Agents to complete appropriate or relevant modules as part of follow-up action where concerns were identified.[119]

4.37 According to the data that Virgin Media provided on overall completion rates for the relevant Rocket Science Modules, the module on 'Appropriate Retain Conversations' was completed 934 times and the module on 'Hold' was completed 484 times during the Relevant Period.[120] Virgin Media did not provide completion rates for any other relevant Rocket Science modules. We understand that these numbers included where Retention Agents completed modules voluntarily, as well as where they had been directed to do so as a result of a Team Manager taking informal follow-up action (see paragraph 4.53 below). Virgin Media advised that more modules may have been read than completion rates indicate because it was possible to read some or all of a Rocket Science module without confirming completion (i.e. without clicking on a 'done it' button).[121] Taking into account the number of Retention

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[114] Follow-up Response to First Information Request, 16 February 2024, Question (2), *'RS_Disconnecting-Customers'.*

[115] Follow-up Response to Fourth Information Request, 9 May 2025, Question (26)(b), *'Annex 26(i)'*.

[116] Initial Response to First Information Request, 29 November 2023, Question (6)(c), *'RS_Hold'*.

[117] Initial Response to First Information Request, 29 November 2023, Question (6)(c), *'RS_Dropped-Calls*'

[118] Initial Response to First Information Request, 29 November 2023, Question (5)(b). Virgin Media explained that: *"agents can also self-serve information regarding policies and processes through 'Rocket Science', this allows the agent to review any information they may need either during a call or at a time of non-call taking"'*. See further Initial Response to Fourth Information Request, 29 April 2025, Question (5).

[119] Initial Response to First Information Request, 29 November 2023, Question (5)(b); Follow-up Response to First Information Request, 16 February 2024, Question (7); Initial Response to Fourth Information Request, 29 April 2025, Question (5).

[120] Initial Response to Fourth Information Request, 29 April 2025, Question (8) and (9)(a)(ii).

[121] Initial Response to Fourth Information Request, 29 April 2025, Question (8).

Agents during this time (for example, there were 1,153 Retention Agents in November 2023)[122] and staff turnover, as well as the possibility that a Retention Agent completed a module more than once, at least some Retention Agents may not have completed relevant Rocket Science modules based on the completion rates of the two modules above.

4.38 Regardless of whether Retention Agents completed these Rocket Science modules – and taking into account the volume and nature of the CCT complaints that we received (see Annex 2) and the limitations we have found with Virgin Media's monitoring processes (as set out below from paragraph 4.42) – we have concluded that Retention Agents were not following these modules in practice.

Other resources

4.39 Virgin Media provided other relevant resources to Retention Agents, including:

(i) A reference document (called 'Grad Bay') for new starters which included advice for Retention Agents to: (i) log all saves and disconnections on Salespoint (but which did not mention the need to log disconnections on ICOMS, in line with instructions set out in the 'Disconnecting Customers' Rocket Science module outlined at paragraph 4.34(v) above); (ii) follow the process for dropped calls (see Rocket Science guidance at paragraph 4.35(ii) above); and (iii) follow the Churn Feedback process (see paragraph 4.16(i) above) if another agent had failed to process a disconnection in an earlier call.[123]

(ii) A process flow titled 'Disconnecting Services' from Virgin Media's 'Information Centre', which Retention Agents were expected to follow when handling calls, including when to transfer the customer to Collections, and steps and instructions on how to put a cancellation through on ICOMS.[124]

(iii) A process flow titled 'Movers and Retentions Call Handling' from Virgin Media's 'Information Centre', which included steps and instructions that Retention Agents were expected to follow if a customer who wanted to disconnect was moving house – this generally required them to transfer the call to the 'Movers' department.[125] In June 2024, following *"investigations into 'difficulty cancelling' complaints"* and in order to "*improve customer experience and prevent transfers between departments",* Virgin Media added a number of questions to the process flow related to how agents handled customers who wanted to disconnect their services because they were moving in the future. Virgin Media advised Retention Agents to transfer a call if a customer was moving within 60 days of the call but advised that, in cases where the customer wanted to disconnect before they moved out or they were moving in more

[122] Follow-up Response to First Information Request, 16 February 2024, Question (2)(c), *'IVR & call routing'*.
[123] Follow-up Response to First Information Request, 16 February 2024, Question (2), *'Grad Bay – VM Compliance'.*
[124] Initial Response to First Information Request, 29 November 2023, Question (2)(a), *'IC Disconnecting service(s)'.*
[125] Initial Response to First Information Request, 29 November 2023, Question (2)(a), *'Movers and Retentions Call Handling'.* There were other unrelated circumstances in which customers would be transferred to Movers including, for example, due to a critical illness or domestic violence.

than 60 days and wanted to keep their service until they moved out, they would not need to be transferred.[126]

(iv) From March 2022, [Partner A] also required its Retention Agents to read and agree to a document which set out what to do when a call drops and stated that all Salespoint logs must be fully reflective of the actual conversation and outcome of the call.[127]

4.40 Taking into account the volume and nature of the CCT complaints we received (see Annex 2 for more detail), and the limitations we have found with Virgin Media's monitoring processes (as set out below from paragraph 4.42), we have concluded that Retention Agents were not following these other resources above in practice, including process flows relating to 'Disconnecting Services' and 'Movers'.

4.41 Overall, we have concluded that the absence of clear behavioural expectations in mandatory training resulted in, or at least contributed to, Retention Agents engaging in the Relevant Behaviours. As noted above, some Rocket Science modules did not contain guidance relating to the key aspects of Relevant Behaviours and, even where they did, it is unlikely that all Retention Agents had completed them. Our determination is therefore that Virgin Media's training and guidance relating to the Relevant Behaviours was insufficient and/or ineffective in terms of its scope, content and/or implementation in preventing customers from being subject to them during the Relevant Period.

Quality assurance and monitoring

4.42 We have found that Virgin Media's quality assurance and monitoring processes (including its processes for escalation and follow-up action) were insufficient and/or ineffective in terms of their scope and/or implementation, such that they failed to identify and/or address the Relevant Behaviours.

4.43 As set out in Section 3, Ofcom's GC C1.8 guidance states that good practice includes providers having in place monitoring and quality assurance processes that ensure that their conditions or procedures do not act as disincentives to switching and that, where agents fall short of expected behaviours, they are subject to an appropriate disciplinary process.

4.44 In particular, we have concluded that:

(i) Virgin Media adopted a highly selective and narrow approach to the type of behaviour it monitored under its Compliance Framework.

(ii) Virgin Media failed to provide proper written guidance to its third-party partner, [Partner C], when monitoring behaviour under the Compliance Framework.

(iii) Other types of monitoring beyond the Compliance Framework were not designed in a way to effectively identify and/or prevent the Relevant Behaviours.

(iv) Even in the (often limited) cases where non-compliance or poor behaviour was identified, limited follow-up action was taken.

(v) Virgin Media had insufficient control, visibility and/or oversight over the third-party partners it entrusted to operate its call centre and quality monitoring functions.

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[126] Initial response to Fourth Information Request, 29 April 2025, Question (24)(c), *'Movers and Retentions Call Handling Process Update – 14th June 2024'.*

[127] Follow-up Response to First Information Request, 16 February 2024, Question (2), *'CR Call Type Brief'*.

4.45 Below, we first discuss the general types of monitoring Virgin Media had in place and its performance management processes. We then set out our assessment of the monitoring that took place (as well as any subsequent follow-up action) with respect to each Relevant Behaviour.

Virgin Media's Compliance Framework

4.46 Virgin Media used a third-party partner called [Partner C] to carry out monitoring[128].⍰ Any follow-up actions identified as a result of [Partner C]'s call evaluations were handled by [Partner A] and [Partner B][129] who for the most part were responsible for handling the calls.⍰ [Partner C] [130]between four and six of the calls handled by each Retention Agent each month, split roughly equally between calls with outcomes logged as a customer retention and calls logged as disconnections.⍰ The calls were assessed against a set of criteria (called '[131]') within a Compliance Framework.[132]

4.47 The Compliance Framework contained brief descriptions in relation to each attribute, stating what was considered compliant (scored as 'green') and non-compliant (scored as 'red'). Retention Agents were required to achieve 95% 'green' across the attributes scored in a call evaluation. On average, 11 attributes were considered per evaluation which meant that one failed attribute would generate a score under this target.[133] We understand that Virgin Media provided some verbal guidance to [Partner C] on how to apply certain assessment criteria in their regular 'calibration sessions' and this was captured in notes which recorded the outcomes of these meetings (see paragraph 4.49 below).[134] Virgin Media also provided some guidance on the 'Hold' attribute as part of its action plan in August 2024 (see paragraph 4.99 below). None of this guidance was formally incorporated into the Compliance Framework itself and Virgin Media did not provide [Partner C] with any other written guidance or instructions on how to apply or interpret the assessment criteria.

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[128] Follow-up Response to First Information Request, 16 February 2024, Question (15)(b). [Partner C] is based in Asia. We understand that [Partner C] was formerly known as '[✂]'.

[129] Follow-up Response to First Information Request, 16 February 2024, Question (15)(b). From 1 January to 28 March 2022 (i.e. at the beginning of the Relevant Period), Virgin Media also employed in-house Retention Agents.

[130] Follow-up Response to First Information Request, 16 February 2024, Question (15)(a). The number of calls evaluated each month varied during the Relevant Period. [Partner C] also evaluated webchats.

[132] Follow-up Response to First Information Request, 16 February 2024, Question (15)(a). Six versions of the Compliance Framework were in use during the Relevant Period. These were provided in responses to the First Information Request, 29 November 2023 and 16 February 2024, Question (15); Second Information Request, 28 August 2024, Question (12)(b); and Initial Response to Fourth Information Request, 29 April 2025, Question (1)(d). The latest version of the Compliance Framework during the Relevant Period was dated 1 September 2024.

[133] Second Information Request, 28 August 2024, Question (10)(d)(i). Virgin Media explained that this meant, if there was one attribute failed out of 11, it would generate a score of 91% and would, accordingly, be under the 95% evaluation target.

[134] Virgin Media has described these as *"minutes of meetings"* ('MOMs') in its response to the Second and Fourth Information Request. These documents are emails which include brief notes of the *"discussion points"*. For the purposes of this Confirmation Decision, we have referred to these as 'meeting notes'.

4.48 The attributes titled 'Switching', 'Use of Hold', 'Accuracy of Work Order' and 'Account Notes' relate to the Relevant Behaviours (we refer to these together as '**relevant attributes**' and we consider these in relation to each Relevant Behaviour from paragraph 4.75). Until it was removed in January 2023 (and the remit of the 'Switching' attribute was broadened to include calls that ended in a re-contract as well as a disconnection),[135] the Compliance Framework also included an attribute called 'Call/disconnection avoidance', the description for which included whether call avoidance behaviours had been demonstrated or if call outcomes were logged correctly. Virgin Media advised that this attribute was removed because no data was ever recorded against it and that as it was to be applied *"only for calls that result in a retention of a customer or a disconnection",* and that *"by definition, none of these calls were avoided".*[136]

4.49 As explained in relation to each Relevant Behaviour from paragraph 4.75 below, we have found that the quality assurance and monitoring processes that Virgin Media had in place were insufficient and/or ineffective in terms of their scope and/or implementation to prevent or identify the Relevant Behaviours. We have further found that Virgin Media had insufficient control, visibility and/or oversight over the third-party partners it entrusted, including [Partner C] with respect to Virgin Media's quality assurance functions. With respect to [Partner C], we consider that Virgin Media did not have a systematic monitoring process over [Partner C]'s evaluations. It had regular[137] 'calibration sessions' with [Partner C] where (usually two)[138] calls were reviewed and discussed. The meeting notes Virgin Media provided for these indicate that some were held weekly and some were held monthly.[139] In addition to these meetings, Virgin Media also reviewed a sample of 20 evaluations per month which had been re-checked and submitted by [Partner C's] 'Compliance Leads'.[140] We consider that, taken together, these reviews via the calibration sessions and the monthly samples were a small proportion of the total number of evaluations that took place over the Relevant Period.[141]

4.50 Virgin Media explained that these meetings were the *"primary mechanism"* in place to ensure that [Partner C] was applying the Compliance Framework correctly and consistently, and during these sessions Virgin Media verbally *"issued instructions and guidance… on how to apply the compliance framework"*.[142] The meeting notes which recorded the outcomes of these sessions[143] – which Virgin Media explained were intended to *"serve as an audit trail*

[135] Virgin Media correspondence to Ofcom, 29 May 2026.
[136] Response to Second Information Request, 28 August 2024, Question (12)(a)(iv).
[137] Follow-up Response to First Information Request, Question (15), refers to *"Monthly calibration activity".* Response to Second Information Request, 28 August 2024, Question (12)(b) refers to these as *"regular"*.
[138] Response to Second Information Request, 28 August 2024, Question (12)(b), *'Annex 5 - MOM'.* Most of the 20 meeting notes refer to two calls.
[139] Response to Second Information Request, 28 August 2024, Question (12)(b), *'Annex 5 - MOM'.* Virgin Media provided 20 meeting notes dating from 27 October 2022 to 11 July 2024, the timing of which vary from weekly to monthly.
[140] Correspondence from Virgin Media, 29 May 2026, page 8.
[141] Follow-up Response to Fourth Information Request, 9 May 2025, Question (16)(a), *'Evaluations below target Jan 22 – 11th Sep 24'*. A total of 222,469 evaluations were carried out across the Relevant Period (of which 195,728 were Voice). While we recognise that some of these would have been related to agents in the Movers department, we would expect the vast majority to be related to Retention Agents.
[142] Initial Response to Fourth Information Request, 29 April 2025, Question (1)(d)(iii).
[143] See footnote 138. Virgin Media provided 20 meeting notes dating from 27 October 2022 to 11 July 2024. We received no minutes from between 7 February 2023 and 24 August 2023, and Virgin Media did not provide an explanation as to the absence of minutes from this period.

and reference point for ensuring alignment between [Partner C] evaluators and Virgin Media's Operational Compliance standards"[144] – indicate that, although some clarifications were provided in relation to the 'Hold', 'Accuracy of Work Order' and 'Account Notes' attributes, this was not in the context of the Relevant Behaviours (see paragraphs 4.93 and 4.115 below).[145]

4.51 Team Managers could also dispute an evaluation they considered had not been carried out in accordance with the Compliance Framework by [Partner C], which would prompt Virgin Media's Operational Compliance team to conduct a full review of the evaluation concerned. Virgin Media said that the volume of valid disputes was low, and that this demonstrated that Team Managers and Virgin Media had high levels of confidence in the accuracy of the monitoring conducted by [Partner C].[146] However, we consider that the low level of valid disputes may speak more to the fact that [Partner C] and Team Managers were aligned with the highly selective and narrow approach that Virgin Media had set and/or Virgin Media's lack of appropriate oversight and visibility into exactly how [Partner C] were applying criteria in practice.

4.52 Virgin Media also held weekly call review meetings with [Partner A] and [Partner B], during which one or two calls would be discussed. It advised that it did not make changes to its processes as a result of these meetings, but that they would *"typically result in the re-issuance of existing guidance and/or training to individual Retention Customer Service Agents".*[147] We discuss our concerns with Virgin Media's visibility, oversight and control over [Partner A] and [Partner B] in more detail below.

Performance management processes including follow-up action under the Compliance Framework

4.53 According to Virgin Media's performance management process, if a Retention Agent scored 'red' against an attribute in an evaluation under the Compliance Framework, their Team Manager was expected to advise them of this and provide feedback and/or coaching. Virgin Media explained that this could take a number of forms and that each agent would have one 45 minute session dedicated to coaching every month, in addition to attending one-to-one sessions with Team Managers and team meetings that may be used for feedback purposes.[148] Virgin Media explained that "*informal coaching did not require any formal notes to be captured and would often be a case of Retention Customer Service Agents being directed to undertake Rocket Science learning or other types of learning".*[149] We understand, however, that Virgin Media could not determine whether those specific agents who had been directed to complete a Rocket Science module had done so and could only see the total number of times a module was completed.[150]

4.54 If there was a second instance of non-compliance against the same attribute, the Team Manager was expected to repeat this process and, if it happened a third time, a Performance

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[144] Initial Response to Fourth Information Request, 29 April 2025, Question (1)(d)(iii).
[145] Response to Second Information Request, 28 August 2024, Question (12)(b), *'Annex 5 – MOM'.*
[146] Response to Second Information Request, 28 August 2024, Question (12)(b)(ii).
[147] Response to Second Information Request, Question (2)(c); Follow-up Response to Fourth Information Request, 9 May 2025, Question (14)(b).
[148] Response to Second Information Request, 28 August 2024, Question (10)(d)(iii).
[149] Follow-up Response to Fourth Information Request, 9 May 2025, Question (13)(d).
[150] Initial Response to Fourth Information Request, 29 April 2025, Question (8).

Improvement Plan ('**PIP**') was to be initiated, failing which a formal disciplinary procedure was to be invoked.[151] Virgin Media could ultimately request that a third-party employee be dismissed in serious cases.[152]

4.55 Virgin Media explained that, while Retention Agents employed by third-party providers were not subject to Virgin Media's disciplinary processes, those providers typically followed a similar escalation process. However, we understand that [Partner A] (the Partner with the most Retention Agents) made changes to its own internal escalation process such that it differed to Virgin Media's process outlined above, so that (i) between April 2023 and September 2023, PIPs would not be triggered for repeat fails of certain attributes (including the 'Hold' attribute); and (ii) from October 2023, PIPs would only be triggered for repeat failures to meet an overall score of 90% against all assessment criteria, rather than for repeatedly failing the same attribute.[153] We have also seen an email suggesting that there was confusion within [Partner A] about this process, leading to an Operations Manager clarifying the position in August 2024.[154]

4.56 Virgin Media also stated that it *"does not mandate how its third-party providers manage their employees in response to any individual failed compliance checks, or how feedback or coaching is undertaken"*. With respect to the changes identified in paragraph 4.55 above, it explained: *"as [Partner A] has discretion over performance management, approval was not sought from Virgin Media for this change".*[155]

4.57 For all these reasons, we have found that Virgin Media had limited oversight and/or control over both the conduct of Retention Agents employed by third-party providers on calls (including whether they were following Virgin Media's own guidance) and how its third-party partners were operating performance management processes in relation to Retention Agents (particularly given their approval was not sought for what we consider to be substantive changes to those processes).

Informal action

4.58 As explained above at paragraphs 4.53 and 4.54, according to Virgin Media's performance management process, the first and second instances of a Retention Agent failing to meet the required standard should have resulted in informal action such as coaching and feedback. Virgin Media also explained that informal coaching or support may have been provided alongside or as part of PIPs where failures were identified.[156]

4.59 In this context, we asked Virgin Media to identify any instances of recorded informal action taken in response to Retention Agents who failed the same attribute twice within a three-month period, or more than three times in either a three-month or four-month period.[157] In

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[151] Follow-up Response to First Information Request, 16 February 2023, Question (15)(b).
[152] Follow-up Response to First Information Request, 16 February 2023, Question (15)(b).
[153] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(a). Virgin Media stated *"[Partner A] have confirmed that 'Hold Time' was not included in this revised list as instances of noncompliance against this attribute were usually the result of agent skill issues…rather than agent behaviour".*
[154] Second Information Request, 28 August 2024, Question (10)(e)(ii), *'Action on Failed Compliance- Redacted 1*', page 14.
[155] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(a).
[156] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(a).
[157] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(b). We requested this information for the 'Switching', 'Account Notes and 'Hold' attributes, in addition to any others identified in

response, it provided evidence of 1188 instances of informal action being taken against [Partner A] Retention Agents.[158] Of these, however, we have found that only 378 related to failures of relevant attributes on calls.[159] Virgin Media also provided a *"high-level export of data"* which listed 519 instances of coaching activity for [Partner B] Retention Agents at its [✂] location covering the period 1 January 2022 until 31 August 2023.[160] However, it is unclear whether and how many of these are relevant as there is no information on the attribute(s) concerned and Virgin Media explained that *"individual documentation/other material that forms the substance of these coaching instances"* was not available. As such, we have not counted these towards the totals referenced below or under the section on 'Relevant Behaviours' from paragraph 4.75. Virgin Media also provided documentation for 50 instances of informal action for [Partner B] Retention Agents post-September 2023, which we have taken into account.[161] We have also identified and included a number of other instances of informal action (such as feedback and/or coaching) relating to the relevant attributes, which were provided in response to other requests.[162]

4.60 In total, we have found that Virgin Media provided evidence of 526 instances of informal action taken (many of which appear to be in response to an instance of one failing of a relevant attribute by a Retention Agent during calls rather than multiple failings).[163] These instances usually consisted of feedback and/or coaching being given to Retention Agents based on the contents of the appropriate Rocket Science module and, in many cases, Retention Agents were directed to read the relevant module(s). Of the 526 instances:

(i) Two thirds related to the 'Hold' attribute and almost exclusively focused on the expectation that Retention Agents update customers every 180 seconds to 'refresh' hold (as opposed to, for example, the inappropriate or excessive use of hold) –

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response to Question (11)(a) and (b) of the Fourth Information Request. Virgin Media also provided this information for the 'Accuracy of Work Order' 'Next Steps' and 'Complaint Handling' attributes. In its response, Virgin Media stated: "*For agents who failed more than three times in a three-month period or four-month period, a Performance Improvement Plan should already be in place and documentation would be within the "formal" category and be contained within the response to Question (17)(c)."*

[158] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(d), sub-folder *'Q17 (d)'*, *'Annex 17 (d) [Partner A] Informal',* containing 945 numbered documents relating to individual instances from 2023 onwards; *'[Partner A] Informal 2022'* containing 243 evaluation reviews from 2022 (Virgin Media advised that there were 250 instances though our analysis identified 243 instances – together with 945, this amounts to 1188).

[159] This is as a result of the following reasons: (i) many of the instances did not relate to a relevant attribute; (ii) some of the instances were dated outside of the Relevant Period; and (iii) some of the instances related to Webchat (while this was in scope of the Question (17)(d) of the Fourth Information Request, these are not relevant for the purposes of the Confirmation Decision given our focus on the Voice method of contact).

[160] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(d), sub-folder *'Q17 (d)', '[Partner B] [✂] Informal Jan 22- Aug 23'.* In this document, coaching activity is identified as: 'Coaching Session', 'Corrective Action', 'Coaching Review', 'Quality Audit' or 'Quality Calibration'.

[161] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(d), sub-folder *'Q17 (d)'*, *'Annex 17(d) [Partner B] Informal'*, *'[Partner B] Informal 1- 50'.*

[162] This relates to our assessment of information provided in Virgin Media's Follow-up Response to the Fourth Information Request, 9 May 2025 (Question (17)(c)). We have also considered information provided in its Response to the Second Information Request, 28 August 2024, (Question (10)(d) and (e)).

[163] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(d), sub-folder *'Q17 (d)'* containing 945 numbered documents and *'[Partner A] Informal 2022'* containing 243 evaluation reviews. Of the 378 relevant instances identified from 1188 contained in these documents, 186 related to one failing of a relevant attribute in a recent call review and 208 related to one failing of a relevant attribute in a 90-day period.

however, there were a few instances where the excessive use of hold appeared to be identified and addressed as part of informal action, considered at paragraph 4.95(vi) and (xi) below.[164]

(ii) Almost a third related to the 'Account Notes' attribute;[165]

(iii) Two related to the 'Accuracy of Work Order' attribute; and

(iv) None related to the 'Switching' attribute.

4.61 In terms of record keeping, Virgin Media explained that (i) in relation to [Partner A], there was no requirement for Team Managers to document informal coaching centrally (although its [✄] site did document it in its 'iCoach Tool'); and (ii) in relation to [Partner B], Team Managers were required to capture informal action documentation (including coaching) in their 'Pulse' tool but that data prior to September 2023 had been archived.[166] This indicates that Virgin Media did not put in place any clear or consistent data retention policy requiring [Partner B] and [Partner A] to record certain evidence of informal action. In our view, this significantly limited the ability of Virgin Media to monitor whether and how appropriate informal action was being taken in practice (as well as whether and when that informal action should move to formal action).

4.62 We acknowledge some records of informal action may have existed but are no longer available and some instances of informal action may not have ever been formally recorded. We also recognise that the total of 525 instances of informal follow-up action relating to the relevant attributes does, at least, show that instances of failings against Virgin Media's (in our view narrow) expectations were being identified at some level. However, we consider the evidence of informal action Virgin Media has provided to be particularly low when compared with the data that Virgin Media provided on failed attributes. For example, there were 2559 instances of Retention Agents failing the 'Hold' attribute twice during any three-month period and Virgin Media only provided evidence of 354 instances of informal follow-up action being taken in response to this attribute. Similarly, there were 1108 instances of the same failure for the 'Account Notes' attribute and Virgin Media only provided evidence of 166 instances of informal follow-up action being taken in response to this attribute.

4.63 Regardless of what informal action was taken in practice, we have concluded that Virgin Media's selective and narrow approach to the type of behaviours it monitored meant that Relevant Behaviours were often not effectively identified which significantly limited Virgin Media's ability to take appropriate informal action in response to Retention Agents using the Relevant Behaviours. Similarly, we have found that Virgin Media's approach to follow-up

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[164] There were 354 instances in total relating to the 'Hold' attribute.

[165] 166 instances in total relating to the 'Account Notes' attribute. Virgin Media explained that this attribute was relevant to both dropped calls and the logging of disconnections. However, it was often not possible from the documentation provided to establish whether the Retention Agent had failed to record something in relation to either of these issues or if something unrelated was missed. There were also two other instances of informal action which specifically relate to dropped calls (see paragraph 4.106(iii) and (iv) below, though it was not clear if this was in response to a failure of the 'Account Notes' attribute. In addition, there was another further instance of informal action in the context of a disconnection which noted that *"notes* [were] *non-existent*" (see paragraph 4.118(ii) below).

[166] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(d). In practice, this meant that no data was available for the [✄] or [✄] location prior to September 2023. For the [✄] location, Virgin Media provided a *"high-level export of data"* (see paragraph 4.59 above).

action is likely to have had a limited effect in addressing the Relevant Behaviours. In particular, it is our conclusion that:

(i) Because most follow-up action would usually result in a Retention Agent being reminded of the contents of, or directed to undertake, Rocket Science learning and some modules (i.e. those relating to hold and dropped calls) missed key aspects of the Relevant Behaviours, this would likely have had little impact in practice.[167]

(ii) Even where Rocket Science modules did cover the Relevant Behaviours, Virgin Media has provided limited evidence of how it ensured individual Retention Agents complied with that guidance going forward, including very limited evidence of formal action for continued non-compliance.

Formal action

4.64 Virgin Media provided limited evidence of recorded formal action being taken against Retention Agents who failed three compliance checks against the same relevant attribute within three months (when, according to Virgin Media's performance management process, formal action should have occurred – see paragraph 4.54 above). Virgin Media provided 93 instances which it said related to formal action – 80 of which related to [Partner A] Retention Agents and 13 to [Partner B] Retention Agents.[168] However, we consider that only three of these instances are relevant to this investigation.[169] We identified a further seven instances of formal action in other documentation that had been provided in response to other requests.[170]

4.65 Virgin Media, in total, therefore only provided evidence relating to ten relevant formal actions:

(i) Two formal hearings – one on 20 July 2023 about a Retention Agent's use of hold and the three minute threshold;[171] and one on 28 November 2023 about a Retention Agent transferring customers to avoid disconnections (which resulted in a dismissal).[172]

(ii) Five documented discussions – one on 23 August 2023 reminding about attributes including 'Hold' in the context of meeting the 95% target for evaluations;[173] one on 2 October 2023 in which the Retention Agent was advised they will be on a PIP

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[167] See paragraph 4.35 above.
[168] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(c), sub-folder *'Q17 (c)'*.
[169] This is as a result of the following reasons: (i) some concerned informal action that fell short of a PIP or disciplinary action; (ii) many were not specific to or did not relate to a relevant attribute; (iii) some related to actions outside of the Relevant Period and (iv) some related to Webchat (while this was in scope of the Question (17)(c) of the Fourth Information Request, these are not relevant for the purposes of the Confirmation Decision given our focus on the Voice method of contact).
[170] This was identified in our assessment of information Virgin Media provided in response to (i) Follow-up Response to the Fourth Information Request, 9 May 2025, Question (17)(d); and (ii) the Second Information Request, 28 August 2024, Question (10)(d) and (e)).
[171] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(c), sub-folder *'Q17 (c)'*, sub-folder *'Annex 17(c) [Partner A] Formal'*, *'[Partner A] Formal 6'.*
[172] Response to Second Information Request, 28 August 2024, Question (10)(d)(iv), '*Feedback Conversations – Redacted 1'*, pages 71-81.
[173] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(d), sub-folder *'Q17 (d)',* sub-folder *'Annex 17(d) [Partner A] Informal'*, *'[Partner A] Informal 565'.*

including for exceeding the 180 second threshold for hold;[174] one on 4 January 2024 about exceeding the 180 second threshold;[175] one on 27 January 2024 about unnecessary transfers and using hold, in which a probation review meeting was to be held;[176] and one on 30 June 2024 with a Retention Agent about a short call where they did not speak with the customer but transferred them.[177]

(iii) One probation review hearing (26 February 2024) – the Retention Agent concerned was dismissed for dropping calls and transferring customers to incorrect departments.[178]

(iv) Two invites to formal disciplinary hearings – one listed for 21 March 2022 which refers to instances of cold transferring/call avoidance (the internal request form for the meeting refers to the use of hold and transfers to irrelevant departments);[179] and one listed for 21 February 2023 which refers to the Retention Agent transferring customers they could not retain to the same department (Tier 2).[180]

4.66 Virgin Media confirmed that there was a total of 4,750 instances of unique Retention Agents failing a relevant attribute three or more times in any three-month period.[181] While this should have in theory automatically triggered a PIP according to Virgin Media's performance management process (see paragraph 4.54 above), Virgin Media explained that this would not necessarily translate to an equivalent number of PIPs. This was because: (i) newly hired Retention Agents were exempt from PIPs (although we note that they could be subject to other types of formal action); (ii) a Retention Agent may have left after concerns were raised but before a PIP was issued; and (iii) one PIP could cover multiple instances of repeatedly failed attributes.[182] We also note that, for six months of the Relevant Period (between April and September 2023), a PIP would not have been triggered for repeat fails of the 'Hold' attribute for [Partner A] Retention Agents and, after which (i.e. from October 2023), PIPs were only triggered for repeated failures to meet an overall evaluation score of 90% across all attributes considered in an evaluation (see paragraph 4.55 above).[183] More broadly and in

[174] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(c), sub-*folder 'Q17 (c)',* sub-folder *'Annex 17(c) [Partner A] Formal'*, '*[Partner A] Formal 68'.*
[175] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(d), sub-folder *'Q17 (d)'*, sub-folder *'Annex 17(d) [Partner A] Informal'*, '*[Partner A] Informal 564'.*
[176] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(c), sub-folder *'Q17 (c)'*, sub-folder *'Annex 17(c) [Partner A] Formal'*, '*[Partner A] Formal 57'.*
[177] Response to Second Information Request, 28 August 2024, Question (10)(e)(ii), *'Action on Failed Compliance- Redacted 6*', pages 15-16.
[178] Response to Second Information Request, 28 August 2024, Question (10)(d)(iv) *Feedback Conversations – Redacted 1'*, pages 122-124.
[179] Response to Second Information Request, 28 August 2024, Question (10)(e)(ii), *'Action on Failed Compliance Redacted 4'*, pages 2-3.
[180] Response to Second Information Request, 28 August 2024, Question (10)(e)(ii), *'Action on Failed Compliance Redacted 4*', page 1.
[181] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(b). In its response, Virgin Media provided a table of *"unique agents"* (i.e. individual Retention Agents) who failed three or more times during any three-month period of the Relevant Period. This set out that there were the following number of unique agents for each relevant attribute: (i) 'Switching' (54); (ii) 'Account Notes' (713); (iii) 'Hold' (3,982); and (iv) 'Accuracy of Work Order' (1). In total, this amounted to 4,750.
[182] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(b).
[183] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(a). Virgin Media stated *"[Partner A] have confirmed that 'Hold Time' was not included as instances of noncompliance against this attribute were usually the result of agent skill issues…rather than agent behaviour".*

relation to other types of formal action including beyond just PIPs, Virgin Media explained that some records of formal action were no longer available,[184] and that it was common for Retention Agents to leave the business when they were subject to disciplinary processes prior to any action taking place and before anything was recorded.[185]

4.67 Even taking these factors into account, we have found that:

(i) The above explanations do not fully account for why Virgin Media only provided evidence of one instance of a PIP being issued relating to a relevant attribute; and

(ii) The total of ten records of formal action that Virgin Media provided fall far short of the number that might have been expected given the volume of repeated fails of relevant attributes.

4.68 Our view is that where [Partner A] and [Partner B] sites provided call-centre services on behalf of Virgin Media at the time of our request, any records of formal action against Retention Agents held by those sites should have been readily available and accessible to Virgin Media and provided to Ofcom. In relation to those sites, our conclusion is that either there is no further evidence of any formal action being taken or that Virgin Media's third-party partners failed to record what other formal action was taken.

4.69 In this context, we are unaware of any clear or consistent data retention policy requiring [Partner B] and [Partner A] to record evidence of formal action. In our view, this significantly limited the ability of Virgin Media to monitor whether and how appropriate formal action was being taken in practice.

Other monitoring of calls and monitoring of customer experience

4.70 Aside from call monitoring against the Compliance Framework, Virgin Media conducted other monitoring in relation to calls and customer experience. We also understand that it was possible for Retention Agents to face follow-up action with respect to some of these other types of monitoring.

4.71 In relation to the monitoring of calls, this included:

(i) Virgin Media collated various data including FTR reports, daily trackers relating to call transfers, reports on the average handling time of calls, and data on what Virgin Media considers 'Short Calls'. Some of these are referenced in the context of evidence of follow-up action being taken against Retention Agents, which we discuss below from paragraph 4.75 where relevant in relation to each of the Relevant Behaviours.[186]

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[184] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(c). In relation to [Partner A], Virgin Media has explained that documentation was archived: (i) for agents who no longer work for [Partner A] and (ii) for sites in [✄] and [✄] which ceased working as third-party supplier sites in April 2024 and October 2024 respectively. In relation to [Partner B], Virgin Media explained that its [✄] site ceased Virgin Media Retention Customer Service functions in July 2024 and data had been archived, though it was able to locate and provide two pieces of documented evidence for this site and said: *"To the best of [Partner B's] knowledge, this is all of the data available for agents who had formal recorded action taken that was specific to being subject to formal disciplinary proceedings for failing three attributes over a three-month period"*.

[185] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(c).

[186] We refer to the relevant sources for each of these where we discuss them below from paragraph 4.75 in relation to each Relevant Behaviour.

(ii) Virgin Media met with [Partner A] on a weekly basis from November 2022 to look at call statistics and highlight areas of improvement (including calls handled by Retention Agents that were not achieving their FTR target, by new agents and by those with an above average call transfer rate).[187] One of the example meeting notes Virgin Media provided included a reference to a call where the Retention Agent had offered to transfer the call to the *"CARE Team"* (which we understand to be customer services) unnecessarily.[188] Virgin Media also had weekly call listening sessions with both [Partner A] and [Partner B] that were instigated in response to complaints about difficulty cancelling which were introduced in March 2024. We understand that these calls were used to make improvements to training and processes, rather than assessing individual performance (although if compliance issues were discovered on a call listened to then we understand that this was processed in the same manner as if they were evaluated by [Partner C]).[189]

(iii) In March 2023, [Partner A] reported on a review that it had been commissioned to carry out by Virgin Media on a sample of repeat calls (from March 2023) from customers, to identify the main reasons for call backs and how these *"could have been avoided".*[190] It identified that nearly 44% of the 525 calls that were reviewed were due to agent behaviour, including for not following processes and not completing actions after a call. This analysis also identified that 7% of call backs as a result of agent behaviour (i.e. of the 44%) were as a result of *"transfer or disconnection avoidance"*.[191] [Partner A] made recommendations in relation to Virgin Media's commission scheme, including to (i) *"implement a commission structure which drives the correct behaviours*" (noting that making FTR an accelerator would support this) and (ii) review the existing KPI weightings within the commission scheme for *"those which may drive incorrect behaviours, i.e. T2 Transfers*".[192] We understand this to have led to the changes to the commission scheme with respect to recommendation (ii) (in August 2023 and January 2024 respectively) that we consider above at paragraphs 4.17 and 4.23.[193]

(iv) In January 2024, Virgin Media began additional monitoring to identify instances *"where an agent may not have booked a disconnection despite a customer's request".* It looked at nearly 18,500 calls between January 2024 and March 2025 (the last 6 months are outside of the Relevant Period) for insight purposes, rather than to provide feedback to Retention Agents. This identified 58 instances (less than 1%) where a disconnection was not logged when it should have been. This additional monitoring alone suggests that 36,500 instances may have occurred across the whole

[187] Follow-up Response to Fourth Information Request, 9 May 2025, Question (14)(a).
[188] Follow-up Response to Fourth Information Request, 9 May 2025, Question (14)(a), *'Annex 14(b)'*.
[189] Initial Response to Fourth Information Request, 29 April 2025, Question (24)(c).
[190] Follow-up Response to Fourth Information Request, 9 May 2025, Question (26)(b).
[191] Follow-up Response to Fourth Information Request, 9 May 2025, Question (26)(b), *'Annex 26(f)'*.
[192] Follow-up Response to Fourth Information Request, 9 May 2025, Question (26)(b), *'Annex 26(f)'*
[193] The changes that Virgin Media subsequently made to the commission scheme in September 2024 (see paragraph 4.24) appear to reflect recommendation (i), although it is unclear if they were made due to this or in relation to OTS given the timing.

Relevant Period.[194] We consider that the number of actual instances is likely to be significantly higher, taking into account complaints made to our CCT (see from paragraph A2.42 of Annex 2) and [Partner C]'s likely failure to identify instances of Retention Agents failing to log and/or process disconnections (see our concerns with Virgin Media's approach from paragraph 4.113 below).

4.72 Virgin Media also carried out monitoring of customer experience, including:

(i) Virgin Media said that customer complaint performance was *"reviewed regularly"* by Virgin Media's Complaint Board ('**VMCB**'). The VMCB, which included senior leadership representation from throughout the business, met each month to review both CCT complaints and complaints Virgin Media received directly. The actions following these reviews could include *"(i) the resolution of specific complaints; or (ii) the implementation of actions plans to deliver improvements or address any identified deficiencies in processes".*[195] As part of these monthly reports, it repeatedly noted difficulty cancelling as a key driver of complaints and referred to causes including aggressive retention attempts and transfers.[196] This monthly reporting included a comparison of general trends in CCT complaint volumes versus the volumes of complaints that Virgin Media received directly.[197]

(ii) From November 2023, Virgin Media said it implemented *"a more formal process"* for reviewing complaints which specifically related to difficulty cancelling.[198] Specifically, monthly reports were introduced comprising of the results of audits that Virgin Media carried out on the previous month's CCT complaints about difficulty cancelling. These reports regularly identified issues with agents being "*too aggressive"* in their retention approach or otherwise not meeting appropriate retain expectations – in particular, dropped calls, *"disconnection avoidance"* and issues with transfers were regularly identified.[199] From March 2024 the reports also identified additional subcategories of complaints.[200] These reports were shared with and discussed at Virgin Media's Retentions Leadership Forum.[201] This forum met on a monthly basis and included the *"Director of Retentions and Senior Retention Performance Manager*

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[194] Initial Response to Fourth Information Request, 29 April 2025, Question (1)(d)(v), *'Retention Team Disconnection Barriers Insight Jan 2024 – March 2025'.* 58 instances out of 18,498 calls equates to 0.3% of calls. If a similar proportion of instances were identified for the 12,189,731 calls across the whole of the Relevant Period, this would be around 36,500 instances.

[195] Follow-up Response to First Information Request, 16 February 2024, Question (29)(a).

[196] Follow-up Response to First Information Request, 16 February 2024, Question (29)(a), *'Virgin Media Ofcom Complaints [date]'* slide packs, later called *'VM OFCOM Complaints Decks [date]'.* Each slide pack contains the date as part of its filename in the format '2022_01', '2022_02' etc. There are 23 monthly slide packs in total, covering the period January 2022 to August 2023.

[197] Follow-up Response to First Information Request, 16 February 2024, Question (29)(a), *'VMO2 OFCOM Complaints Deck 2023_11',* slide 6.

[198] Follow-up Response to First Information Request, 16 February 2024, Question (17)(a) and (b).

[199] Follow-up Response to First Information Request, 16 February 2024, Question (17)(a) and (b), *'Difficulties Cancelling – Nov 2023 – Retentions Update'*, *'Difficulties Cancelling – Dec 2023 – Retentions Update'*; and Initial Response to Fourth Information Request, 29 April 2025, Question 24(a), sub-folder *'Difficulty cancelling reports'*, *'Retain Division- Ofcom Complaint Review [date]'* slides. There are eleven monthly slide packs in total, covering the period January to December 2024, with a slide pack provided for every month except October 2024.

[200] Initial Response to Fourth Information Request, 29 April 2025, Question (24)(e).

[201] Follow-up Response to First Information Request, 16 February 2024, Question (17).

for Customer and the senior operations leaders / Directors for Virgin Media's Retentions partner companies ([Partner A] or [Partner B][202].[203]Virgin Media required that Retention Agents involved in audited CCT complaints were provided with feedback and we understand that had happened a total of 468 times.[204]

Prior to November 2023, Virgin Media stated that the reporting and discussions of 'difficulty cancelling' complaints occurred "*more informally"* within the Retention Team, but that these reports were not produced on a regular timescale (i.e. a monthly basis) nor were they shared with any governing body.[205]

(iii) From December 2022, Virgin Media recorded customer ratings and verbatim comments via its 'Advanced Customer Experience' ('**ACE**'), which gave 20% of callers the option to complete a customer survey.[206] From December 2023, Virgin Media identified where 'Agent Driven Behaviour' caused a low survey score and it identified 1019 instances of this between December 2023 to June 2024.[207] This included a broad range of behaviours including, for example, where (i) agents had not provided details of offers or had given incorrect information about them, (ii) promised call backs had not happened, and (iii) there had been issues with the handling of disconnection requests. In May 2024, it introduced a system for sharing feedback from poor ACE scores with the Retention Agent concerned and their Team Manager.[208] Between May and June 2024, it identified 235 instances of poor ACE scores under this system. It appears that there were some instances where issues relating to Relevant Behaviours were identified (at least 27) and that feedback and/or coaching may have been provided to the Retention Agents concerned in some of these cases. [209] However, it is not clear from the information provided exactly what happened in each instance and we have therefore not included these in our consideration of Relevant Behaviours below. We understand that the process of providing agent feedback was paused at some point in 2024 due to *"certain technical*

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[202] Follow-up Response to First Information Request, 16 February 2024, Question (17).

[204] Initial Response to Fourth Information Request, 29 April 2025, Question (24)(e). Virgin Media advised that, in addition to the 313 instances of 'difficulties cancelling complaints' feedback captured in the monthly reports provided in response to Question (24)(a), a further 155 instances of Retention Agent feedback were issued between March 2024 to September 2024 relating to the above-mentioned additional complaint categories.

[205] Follow-up Response to First Information Request, 16 February 2024, Question (17). In January 2023, Virgin Media informed Ofcom of a *"deep dive"* into 16 CCT complaints from December 2022 (and all previous months) and that it had contacted the customers to resolve issues where required (*'OFCOM update FY22'*, slide 5). It is unclear whether this deep dive formed part of this *"more informal…"* reporting process in place pre-November 2023 or was a separate exercise, and whether it was shared with any governing body.

[206] Response to Second Information Request, 28 August 2024, Question (2)(c).

[207] Follow-up Response to Fourth Information Request, 9 May 2025, Question (13)(b) and (c). Virgin Media explained that due to a migration to a new system, customer feedback data from July 2024 to the end of the Relevant Period was not available.

[208] Follow-up Response to Fourth Information Request, 9 May 2025, Question (13)(b). Virgin Media referred to this as the *"Closed Loop Process"*.

[209] Follow-up Response to Fourth Information Request, 9 May 2025, Question (13)(c), *'Annex_13(c)'*.

constraints and migration activity" and was not resumed until after the Relevant Period.[210]

(iv) In September 2024, Virgin Media migrated the management of its *"complaint audit feedback"* to the NEQQO tool.[211] Virgin Media explained that this was in order to track and manage complaint feedback *"more quickly and effectively"* (including by relying less on manual tracking and monitoring). To facilitate this improvement, Virgin Media introduced a two-working day service level agreement, requiring [Partner A] and [Partner B] to investigate and feedback to agents once a CCT complaint (including relating to difficulty cancelling) had been received and reviewed by Virgin Media's audit team.[212]

4.73 Beyond the Compliance Framework, we have determined that other areas of monitoring were not designed, implemented or applied in a way that would effectively identify and/or prevent the Relevant Behaviours, particularly given follow-up action taken in response to these was limited.

4.74 Below, we set out our assessment of the monitoring that took place (as well as any subsequent follow-up action) with respect to each Relevant Behaviour.

Inappropriate and/or excessive retention conversations

4.75 As set out above at paragraph 4.34(i), in July 2022, Virgin Media introduced a Rocket Science module on 'Appropriate Retain Conversations' during its earlier engagement with Ofcom when it had identified *"aggressive retention attempts"* in CCT complaints data.[213] This module encouraged Retention Agents to *"always be attempting to save customers"* but *"in the right way".* It also advised that Retention Agents should not engage in a retention conversation with a customer who had made it *"absolutely clear"* they wanted to leave. It stated: *"We need to make sure that they are able to do so without barriers being put in place. Whilst our intention is to retain customers, we must respect the wishes of any customer that makes it clear that they do not wish to have a retain conversation".*[214]

4.76 Virgin Media's Compliance Framework included a 'Switching' attribute which required [Partner C] to mark a Retention Agent as compliant where a customer was either happy to engage in a retention conversation or where they did not want to engage in a retention conversation and the Retention Agent had processed a disconnection *"without barriers"* or without continuing to make save attempts. The same criterion required [Partner C] to mark a call as non-compliant where a customer had stated they did not want to engage in a retention conversation, but the Retention Agent had continued to make save attempts to avoid a disconnection and *"put up barriers"*.[215] The Compliance Framework did not expand

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[210] Letter from Virgin Media to Ofcom, 11 November 2025. In this letter, Virgin Media noted that this process was paused at some point in 2024 and later resumed in April 2025.

[211] Initial Response to Fourth Information Request, 29 April 2025, Question (24)(c).

[212] Initial Response to Fourth Information Request, 29 April 2025, Question (24)(c).

[213] Follow-up Response to First Information Request, 16 February 2024, Question (29)(a), *'Virgin Media OFCOM Complaints 2022_01'*.

[214] Follow-up Response to First Information Request, 16 February 2024, Question (2), *'RS_Appropriate-Retain-Conversations'*.

[215] Six versions of the Compliance Framework were in use during the Relevant Period. These were provided in responses to the First Information Request, 29 November 2023 and 16 February 2024, Question (15); Second

on what behaviours may constitute *"barriers"* in this context and Virgin Media did not provide any written guidance to [Partner C] on this point or, more generally, on how to apply the attribute in practice when monitoring calls. In addition, the copies of the meeting notes Virgin Media provided from its 'calibration sessions' with [Partner C] (see paragraphs 4.47 and 4.49 above) did not contain any reference to guidance or instructions being provided to [Partner C] on this attribute in any of these sessions.[216]

4.77 For the first twelve months of the Relevant Period, the 'Switching' attribute only applied to calls where customers had been logged as being disconnected.[217] In practice, this meant the attribute could only be considered in calls drawn from approximately 14% of Tier 2 calls that were logged as such within these 12 months, and therefore not drawn from the much larger number of calls with other outcomes for Tier 2 (i.e. the remaining 86%), or any Tier 1 calls.[218] During this period, the 'Call/disconnection avoidance' attribute was still in place, but we consider that this attribute did not make up for the shortfall in what was monitored under the 'Switching' attribute. This is because no review data was ever recorded against the 'Call/disconnection avoidance' attribute because, as Virgin Media explained, *"by definition, none of these calls were avoided"* (see paragraph 4.48 above). In other words, for a significant period of time (i.e. 12 months), calls were not evaluated for whether Retention Agents had engaged in inappropriate retention activity when 'saving' customers. From January 2023, [Partner C] considered the attribute for Retention interactions which met the following criteria: (i) during the interaction the customer raised the potential for a disconnection; and (ii) the interaction resulted in either a disconnection or a re-contract.[219] Accordingly, [Partner C] only considered this attribute in 47% of interactions.[220] We note that calls that did not end in a disconnection or a re-contract (i.e. where a customer was 'retained' without re-contracting) would therefore not fall under the scope of the 'Switching' attribute, and we consider this left a significant gap in the monitoring of Retentions calls where Retention Agents may have displayed disconnection avoidance behaviours.

4.78 Virgin Media confirmed that [Partner C] marked the 'Switching' attribute as failed in just 0.8% of the 106,517 call (and webchat) evaluations it considered it in.[221] Virgin Media also confirmed that [Partner C] identified 503 instances of Retention Agents failing the attribute once within any three-month period, and 98 of Retention Agents failing it twice within a three-month period.[222] Out of the evidence Virgin Media provided in relation to informal action, we only identified one instance that appeared to relate to inappropriate and/or excessive retention activity, where a Team Manager had noted that a customer had said

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Information Request, 28 August 2024, Question (12)(b); and Initial Response to Fourth Information Request, 29 April 2025, Question (1)(d). The latest version of the Compliance Framework during the Relevant Period was dated 1 September 2024.

[216] Response to Second Information Request, 28 August 2024, Question (12)(b), *'Annex 5 - MOM'*.

[217] Initial Response to Fourth Information Request, 29 April 2025 Question (10).

[218] Follow-up Response to Fourth Information Request, 9 May 2025, Question (26), *'Annex_26(a)'*. There were 3,521,761 calls to Tier 2 in the first twelve months of the Relevant Period; of which 489,743 (14%) ended in a disconnection.

[219] Virgin Media correspondence to Ofcom, 29 May 2026.

[220] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(e), *'Attribute wise compliance Jan 22 – 11 Sept 24'*. The Switching attribute was considered in 106,517 call and webchat evaluations out of a total of 222,469 that were carried out by [Partner C] across the Relevant Period.

[221] Initial Response to Fourth Information Request, 9 May 2025, Question (17)(e), *'Attribute-wise compliance Jan 22 - 11 Sept 24'*. In total, 877 fails were identified out of 106,517 call and webchat evaluations.

[222] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(b).

multiple times that they wanted to cancel (though this was identified in the context of an instance of Churn Feedback, rather than as a result of a failure of the 'Switching' attribute).[223]

4.79 Virgin Media confirmed that [Partner C] also identified 54 instances of unique Retention Agents failing the 'Switching' attribute three or more times within any three-month period.[224] According to Virgin Media's performance management process (see paragraphs 4.54 above), it could be expected that at least some of the 54 cases should have led to a PIP being initiated and, if this was failed, subsequent formal disciplinary action. However, Virgin Media did not provide any evidence of any formal action being taken in relation to this attribute.

4.80 It is also our view that there were no guardrails in Virgin Media's commission scheme (see from paragraph 4.14 above) that were likely to reduce a Retention Agent's commission if they engaged in inappropriate and/or excessive retention conversations. We have concluded that Retention Agents were therefore encouraged and financially rewarded for using this Relevant Behaviour to meet or exceed their retention targets.

4.81 For the reasons set out above, and taking into account the volume and nature of CCT complaints we received about Retention Agents making repeated offers after the customer had asked to cancel,[225] we have determined that it is likely that many Retention Agents were not following the Rocket Science module in order to avoid disconnecting the customer and meet or exceed retention rate targets. We have also found that many instances of inappropriate retention activity were likely not being identified as part of Virgin Media's monitoring, particularly under the 'Switching' attribute in the Compliance Framework. This is, in part, because the Compliance Framework did not expand on what behaviours may constitute *"barriers"* under the 'Switching' attribute and Virgin Media otherwise failed to provide appropriate written guidance or instructions to [Partner C] on how to apply or consider the 'Switching' attribute in practice. Even in the limited instances where [Partner C]'s application of the 'Switching' attribute under the Compliance Framework (or other monitoring) did identify Retention Agents putting up barriers for customers trying to cancel, there is very limited evidence of follow-up action being taken to rectify this Relevant Behaviour, allowing it to continue unchecked.

Unnecessary and/or excessive transfers

4.82 As set out above at paragraphs 4.34(ii) and 4.34(vi), Virgin Media provided guidance on transfers as part of its Rocket Science modules, including advising that: (i) Retention Agents should only transfer a customer *"when absolutely necessary"* ('Transfers' module) and (ii) Retention Agents should take ownership of the call and not transfer a customer to another department if they could resolve the issue themselves ('FTR' module). It also provided guidance on when to transfer calls to the Collections department in a Rocket Science module on 'Transfers to Collections' (see paragraph 4.34(iii) above). As set out at paragraph 4.39(iii) above, Virgin Media also provided process flows in its Information Centre that Retention

[223] Response to Second Information Request, 28 August 2024, Question (10)(d)(iv), *'Feedback Conversations Redacted 1'*, page 58.
[224] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(b).
[225] See from paragraph A2.24 of Annex 2.

Agents could follow step by step in real time when handling transfers, referred to as 'Movers and Retentions Call Handling'.

4.83 Despite having guidance and process flows in place, Virgin Media's Compliance Framework did not contain an attribute on transfers and, as a consequence, [Partner C] therefore did not assess whether a transfer was necessary or whether a customer had been transferred to the correct team. Virgin Media confirmed that *"*[Partner C did] *not monitor call transfers"*.[226]

4.84 However, Virgin Media did capture data in relation to the transfer of calls. Namely:

(i) It tracked the daily volume of calls that were transferred, although it explained this was *"not designed to highlight specific areas of non-compliance with Cancellation/Retention processes"* but that Team Managers were to use this data *"in conjunction with other reporting tools"* to identify non-compliance.[227] During the Relevant Period, there were almost 1.7 million internal transfers to other departments outside of the two-tier cancellation process – most frequently to Movers, Customer Services or Collections.[228]

(ii) The FTR 'decelerator' metric – which Virgin Media used to reduce a Retention Agent's commission in defined circumstances – tracked the volume of calls where customers were transferred more than once during their call (as well as repeat calls that were made within seven days of an initial call to the Retention Team).[229]

(iii) It tracked Retention Agents with the most and least call transfers. However, we understand that this data was primarily used in the context of Tier 1 to Tier 2 transfers, rather than in relation to calls transferred from Tiers to other departments.[230]

4.85 Virgin Media provided documentation relating to only three instances of informal action relating to transfers – two were in response to two CCT complaints, and one related to a Retention Agent's FTR score and the nature of repeat calls from customers:

(i) Records of two coaching sessions that took place following a customer complaint to Ofcom, where the customer was inappropriately transferred. In one, this was to a department called 'preinstalls' and, in the other, the customer was transferred to Cancellations. In both cases, Retention Agents were advised to use the Information Centre process flow for transfers.[231]

(ii) One file note of a conversation where a Retention Agent, who was given feedback about a number of calls, was told about issues with transfers in the context of

[226] Response to Second Information Request, 28 August 2024, Question (13)(b).
[227] Follow-up Response to Fourth Information Request, 9 May 2025, Question (21)(b)'. In responding to this question, Virgin Media make reference to a document titled *'Daily_Tracker_T1_EOM 2035 May'*, which was originally provided to Ofcom as part of Virgin Media's response to the Second Information Request.
[228] Follow-up Response to Fourth Information Request, 9 May 2025, Question (21), *'Annex 21(a)'*, tabs (iii) and (iv). The data in *'Annex 21(a)'* shows that most transfers went to three internal departments: (i) Movers (22% at Tier 1, 29% at Tier 2); (ii) Customer Services (30% at Tier 1, 27% at Tier 2); and (iii) Collections (12% at Tier 1, 10% at Tier 2). Collections is the team that handles accounts where the customer is in arrears with payments.
[229] Response to Second Information Request, 28 August 2024, Question (1)(a) and (b).
[230] Response to Second Information Request, 28 August 2024, Question (13)(b). *'Outliers Tier 1', 'Outliers Tier 2'.*
[231] Response to Second Information Request, 28 August 2024, Question (10)(d)(iv), *'Feedback Conversations Redacted 1'*, pages 25 and 50.

customers making repeat calls and was advised to use the Information Centre process flow for when they handled transfers in future.[232]

4.86 Virgin Media also provided information about five instances of formal action relating to transfers:

(i) One documented discussion with a Retention Agent about a short call where they did not speak with the customer but transferred them, in which they were advised call avoidance is unacceptable.[233]

(ii) One formal hearing (28 November 2023), in which the Retention Agent concerned is described to have repeatedly transferred customers who they could not retain to Customer Services to avoid disconnections; they were subsequently dismissed.[234]

(iii) One probation review hearing (26 February 2024), as a result of which the Retention Agent concerned was dismissed for deliberately dropping calls and transferring customers to incorrect departments.[235]

(iv) One invite to a formal disciplinary hearing (the date of which was listed as 21 February 2023) which refers to the Retention Agent concerned transferring customers they could not save to the same department (Tier 2).[236]

(v) One invite to a formal disciplinary hearing (21 March 2022) due to instances of the Retention Agent concerned cold transferring/call avoidance (the internal request form for the meeting refers to putting customers on hold for long periods of time and transferring them to irrelevant departments).[237]

4.87 Virgin Media issued briefings to Retention Agents about transfers on three occasions:

(i) In February 2024 and May 2024, it issued briefings about transferring callers to Collections. The briefings reminded Retention Agents to only transfer customers to Collections when they were unable to pay, their services had been suspended due to previous non-repayment, or their account had been passed to a debt collection agency.[238] It indicated that transfers had been happening outside of these circumstances and that this had led to *"repeat calls and transfers between departments".*[239]

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[232] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(c), sub-folder *'Q17 (c)'*, sub-folder *'Annex 17(c) [Partner A] Formal'*, *'[Partner A] Formal 54*'. Feedback on a number of repeat calls is given under the Retention Agent's score for 'Call Repeats FTR'.
[233] Response to Second Information Request, 28 August 2024, Question (10)(e)(ii), *'Action on Failed Compliance Redacted 6'*, pages 15-16.
[234] Response to Second Information Request, 28 August 2024, Question (10)(d)(iv), *'Feedback Conversations – Redacted 1'*, pages 71-81.
[235] Response to Second Information Request, 28 August 2024, Question (10)(d)(iv), *'Feedback Conversations – Redacted 1'*, pages 122-124.
[236] Response to Second Information Request, 28 August 2024, Question (10)(e)(ii), *'Action on Failed Compliance Redacted 4*', page 1.
[237] Response to Second Information Request, 28 August 2024, Question (10)(e)(ii), *'Action on Failed Compliance Redacted 4*', pages 2-3.
[238] Initial Response to Fourth Information Request, 29 April 2025, Question (24)(c), '*Transferring to Collections – 3rd May 2024'.*
[239] Initial Response to Fourth Information Request, 29 April 2025, Question (24)(c), '*Transferring to Collections – Getting it right first time – 29th February 2024'.*

(ii) In June 2024, following *"investigations into 'difficulty cancelling' complaints"* to "*improve customer experience and* prevent *transfers between departments",* Virgin Media informed Retention Agents that it had updated its process flow and advised them to transfer a call if a customer was moving within 60 days of the call but that, where the customer wanted to disconnect before they moved out or they were moving in more than 60 days and wanted to keep their service until they moved out, they would not need to be transferred.[240]

4.88 We recognise that some transfers would have been necessary – for example, some callers may have needed to be transferred to (i) the Movers department if they were moving home in the circumstances described in paragraph 4.39(iii); (ii) to Customer Services if they had general issues or queries (such as billing);[241] or (iii) to Collections in the circumstances described at paragraph 4.87(i) above). However, evidence from CCT complaints suggests that many customers were unnecessarily transferred and/or transferred excessively.[242] For example, customers in CCT complaints reported that they were transferred to the Movers or Collections departments when these were not relevant or that they had been transferred numerous times within one call.[243] Virgin Media's own monthly analysis of Ofcom's CCT complaint data identified that a key driver of complaints was that customers were *"passed between departments".*[244] It is therefore our conclusion that (i) many of the customers on the 1.7 million of calls transferred to a department outside of Virgin Media's Retention Team were unnecessarily transferred, and (ii) many of the customers on the 2.3 million calls which were transferred more than once within one call (or which called back within seven days) were likely to have experienced one of the Relevant Behaviours (including, in the case of those transferred more than once, being transferred excessively).[245]

4.89 We have found that there were also no guardrails in Virgin Media's commission scheme (see from paragraph 4.14 above) that were likely to reduce a Retention Agent's commission for any unnecessary and/or repeated call transfers. Although there were indications in communications sent to Retention Agents that FTR was impacted by this Relevant Behaviour and may therefore have reduced some commission payouts by small amounts,[246] we consider that Retention Agents were otherwise generally encouraged and financially rewarded for using this Relevant Behaviour to achieve or exceed their retention targets.

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[240] Initial response to Fourth Information Request, 29 April 2025, Question (24)(c), *'Movers and Retentions Call Handling Process Update – 14th June 2024'.*

[241] Initial Response to First Information Request, 29 November 2023, Glossary.

[242] See from paragraph A2.18 of Annex 2, including CCT complaint example 3.

[243] See paragraphs A2.18 to A2.23 of Annex 2, including CCT complaint examples 3, 4 and 5 and call recording example 1.

[244] Follow-up Response to First Information Request, 16 February 2023, Question (29)(a). In response to this question, Virgin Media provided copies of monthly complaints decks from January 2022 to November 2023. Each pack included references to the percentage of complaints relating to difficulties cancelling and provided examples of the issues cited in complaints (including, in particular, *"Unable to reach disconnection team, passed between departments"* and *"Difficulties reaching the right team to arrange collection"*)".

[245] See paragraph 4.133(iii) and 4.134(ii) and (iv) below. We recognise that it is possible that the same customers may have been counted under both (i) and (ii) – i.e. they may have had their call transferred to a department outside of the Retention Team, as well as were transferred more than once (or who called back within seven days). The total number of customers therefore may be lower than (i) and (ii) combined.

[246] Initial Response to Fourth Information Request, 29 April 2025, Question (24)(c), *'Dropped calls process – 29th January 2024'.*

4.90 For the reasons set out above, and taking into account the volume of CCT complaints we received about unnecessary and/or excessive transfers,[247] we have concluded that many Retention Agents were likely not following the relevant Rocket Science guidance or Information Centre process flows on transferring calls. Instead, they were making unnecessary and/or excessive transfers in order to avoid disconnecting the customer and meet or exceed their retention rate. This behaviour was not included in Virgin Media's Compliance Framework as part of routine call monitoring and, while Virgin Media captured various data on the (high) volume of transfers, the evidence indicates that this behaviour was rarely (or at very least not routinely) detected by Virgin Media. Even where it was, there is very limited evidence of appropriate action (including disciplinary action) being taken against Retention Agents.

Excessive and/or repeated use of hold

4.91 As set out above at paragraph 4.34(ii), Virgin Media's Rocket Science module advised Retention Agents to only use hold *"when absolutely necessary"*, and not to use it *"just to put the deal through"*. It also advised them to *"explain to the customer that you need to put them on hold", "pop back to* [the customer] *if it's for an extended period of time"* and to not *"leave your customer on hold for longer than 180 seconds without going back to them".* In addition, it advised against the use of *"silent hold"* and acknowledged that customers may need to be put on hold for extended periods.[248]

4.92 Virgin Media's Compliance Framework had an attribute for 'Hold' and the description of the attribute covered part of the guidance contained in the Rocket Science module.[249] Specifically, it referred to where a Retention Agent had placed the customer on hold without warning or had kept them on hold for more than 180 seconds without providing them with an update.[250] Although the attribute description noted that *"Agent avoided the use of hold/non-talk time"* should be marked as compliant, it did not consider the opposite of this for non-compliance. Specifically, it did not refer to whether it was *"absolutely necessary"* to put the customer on hold in the first place (as per the Rocket Science guidance), nor did it otherwise consider whether the use of hold was excessive (including for extended or long periods of time) and/or repetitive (in each case where it was not necessary and/or was being used to delay or avoid a disconnection). Indeed, Virgin Media explained that it monitored *"calls that result in a specific call outcome i.e. retention or disconnection, therefore it is unlikely that examples of non-compliance against the 'Hold' attribute in these scenarios prevented a customer from achieving the outcome of a retention or disconnection".*[251] It is therefore our view that the scope of the 'Hold' attribute in Virgin Media's Compliance Framework was limited.

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[247] See from paragraph A2.18 of Annex 2.

[248] Initial Response to First Information Request, 29 November 2023, Question(6)(c), *'RS_Hold'*.

[249] In Response to Second Information Request, 28 August 2024, Question (10)(c), Virgin Media stated that in January 2024 it combined its previously separate Compliance Frameworks for Retain and Sales functions into one document *'Retain and Sales (Fixed Line) Compliance Monitoring Framework V1 Final'.* This does not have an attribute named 'Hold' but instead has an attribute called a 'Non-Talk Time' attribute which is described in the same terms.

[250] This applied to the use of 'hold' as a function, as well as the use of 'mute' and the Retention Agent simply stopping speaking (*'silent time'*). In the Initial Response to Fourth Information Request, 29 April 2025, Question (22), Virgin Media confirmed that only *'Hold Time: Time (measured in seconds) during which the customer is placed on hold using the system's hold function and music is played'*, counted towards the AHT metric.

[251] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(e).

4.93 There were references to the ‘Hold’ attribute in the copies of three meeting notes Virgin Media provided from its calibration sessions with [Partner C], though these did not appear to provide any guidance on the excessive and/or repeated use of hold. Two of these meeting notes advised that a Retention Agent could be marked as ‘green’ where (i) they show their presence on calls by *“singing songs” or “murmuring*” or (ii) they keep updating a customer every 180 seconds, even if they do so multiple times in a call.[252] The other meeting note advised: “*Where agent put customer on hold and call get disconnected after 3 minutes automatically without any conversation with customer in that scenario, we will mark 4b as RED”*.[253]

4.94 Virgin Media confirmed that [Partner C] marked the ‘Hold’ attribute as failed in 23% of the 212,237 call (and webchat) evaluations it considered it in.[254] Virgin Media also confirmed that [Partner C] identified (i) 3581 instances of Retention Agents failing the ‘Hold’ attribute once within any three-month period and (ii) 2559 of Retention Agents failing it twice within a three-month period, [255] which suggests that [Partner C] was often identifying instances of Retention Agents failing to meet the 180 second threshold for updating customers.

4.95 Virgin Media provided evidence of 355 instances of informal follow-up action being taken in respect to non-compliance with the ‘Hold’ attribute, which focused on the expectation that Retention Agents update customers every 180 seconds to ‘refresh’ hold. At least 25 of these instances related to circumstances where a Retention Agent had failed the ‘Hold’ attribute more than twice. In total, Virgin Media provided:

(i) 271 instances of feedback on the 180 second threshold given to Retention Agents who failed the ‘Hold’ attribute twice within a three-month period (though some of these instances appear to be in response to a single instance, see paragraphs 4.59 and 4.60 above).[256]

(ii) 21 records of feedback/coaching sessions where a Retention Agent was reminded not to put customers on hold for more than 180 seconds without updating them.[257]

(iii) One file note of a conversation where a Retention Agent, who was given feedback on a number of calls, and was told about issues with the 180 second hold threshold.[258]

[252] Response to Second Information Request, 28 August 2024, Question (12)(b), sub-folder *‘Annex_5’, ‘Fwd MOM Retain Framework 27th’ Oct’2022’,* and *‘MOM Retain 25th April’2024’.*
[253] Response to Second Information Request, 28 August 2024, Question (12)(b), sub-folder *‘Annex_5’, ‘MOM Retain 24 August2023’*.
[254] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(e). *‘Attribute-wise compliance Jan 22 - 11 Sept 24’,* 49,258 fails identified, 212,237 call and webchat evaluations. The ‘Hold’ attribute was considered in 95% of evaluations.
[255] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(b).
[256] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(d), sub-folder *‘Q 17 (d)’* containing 945 numbered documents and *‘[Partner A] Informal 2022’* containing 243 evaluation reviews.
[257] Response to Second Information Request, 28 August 2024, Question (10)(d)(iv), *‘Feedback Conversations Redacted 1*’, pages 33, 35, 36, 39, 41, 42, 43, 47, 48 and 52; *‘Feedback Conversations Redacted 3*’, pages 1-3; *‘Feedback Conversations Redacted 6*’ (includes an action plan); *‘Feedback Conversations Redacted 7*’ (includes an action plan); Question (10)(e)(ii) *‘Action on Failed Compliance Redacted 1*’, pages 18, 19, 20, 21 and 22;, *‘Action on Failed Compliance Redacted 2*’, pages 23-26 and 27-37; and *‘Action on Failed Compliance Reacted 6*’ page 14.
[258] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(c), sub-folder *‘Q17 (c)’*, sub-folder *‘Annex 17(c) [Partner A] Formal’*, *‘[Partner A] Formal 54*’ and *‘[Partner A] Formal 40*’.

(iv) 33 examples of feedback on the ‘Hold’ attribute given to Retention Agents (comprising of 23 brief reminders, four reviews and six coaching conversations).[259]

(v) One system report on repeated issues with the 180 second threshold.[260]

(vi) One action plan which refers to hold being identified as an issue in two calls (in one call, it was noted that excessive hold resulted in the customer hanging up and notes indicate FTR was affected, and in the other call it was noted that excessive hold increases ‘Average Handling Time’ (‘**AHT**’)).[261]

(vii) One action plan which includes a ‘forward action’ on monitoring hold.[262]

(viii) Ten instances of feedback about the 180 second threshold given to Retention Agents who failed it three times within a three-month period.[263]

(ix) Three instances of individual Retention Agents receiving multiple coaching sessions where there were repeated issues with the 180 second threshold.[264]

(x) Two letters to the Retention Agents concerned, referring to repeated instances of exceeding the 180 second threshold.[265]

(xi) Four notes from feedback/coaching conversations with Retention Agents about the use of hold/180 second threshold coming up in multiple call evaluations – two of which mention the length of time on hold, and all four warn that further instances could lead to formal action.[266]

(xii) One instance of feedback provided to an individual Retention Agent about the need to control hold time.[267]

(xiii) Six ‘informal letters’ to Retention Agents who had failed ‘Hold’ three or more times, advising of daily monitoring and that further instances will lead to investigation.[268]

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[259] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(d), sub-folder *‘Q17 (d)’*, sub-folder *‘Annex 17(d) [Partner B] Informal’*, *‘[Partner B] informal 27 Examples’*, rows 2, 3, 7-23, 25, 27, 28; *[Partner B] Informal [REDACTED] 6’; ‘[Partner B] Informal [REDACTED] 7’; ‘[Partner B] Informal [REDACTED] 8’; ‘[Partner B] Informal [REDACTED]’; ‘[✂] Hold RF September’*; *‘[✂] HQ Hold May’*; *‘[✂] HQ July’*; *‘[✂] August Hold’*; *‘[✂] HQ July’*; *‘[✂] May Hold’.*

[260] Response to Second Information Request, 28 August 2024, Question (10)(e)(ii), *‘Action on Failed Compliance Redacted 1’,* page 8.

[261] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(c), sub-folder *‘Q17 (c)’*, sub-folder *‘Annex 17(c) [Partner A] Formal’*, *‘[Partner A] Formal 74’.*

[262] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(d), sub-folder *‘Q17 (d)’*, sub-folder *‘Annex 17(d) [Partner A] Informal’, ‘[Partner A] Informal 597’.*

[263] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(d), sub-folder *‘Q17 (d)’*, containing 945 numbered documents and *‘[Partner A] Informal 2022’* containing 243 evaluation reviews.

[264] Response to Second Information Request, 28 August 2024, Question (10)(e)(ii), *‘Action on Failed Compliance Redacted 1*’, pages 16-17, 26-37 and 47-50.

[265] Response to Second Information Request, 28 August 2024, Question (10)(e)(ii), *‘Action on Failed Compliance Redacted 1*’, pages 41 and 46.

[266] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(c), sub-folder *‘Q17 (c)’*, sub-folder *‘Annex 17(c) [Partner B] Formal’*, *‘[Partner B] Formal [multiple documents]’,* nos. 4-6; and sub-folder *‘Annex 17(c) [Partner A] Formal’*, *‘[Partner A] Formal 55*’.

[267] Response to Second Information Request, 28 August 2024, Question (10)(e)(ii), ‘Action on Failed Compliance Redacted 8’.

[268] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(c), sub-folder *‘Q17 (c)’*, sub-folder *‘Annex 17(c) [Partner A] Formal’*, *‘[Partner A] Formal [multiple documents]’, nos. 3, 13, 15, 41, 47,51*.

4.96 We understand that Retention Agents were encouraged to minimise *"non-talk time"* by having more conversation and less hold time.[269] We note that in only four instances of informal action (three of which are in the summary above), Retention Agents were warned about putting customers on hold for excessive periods of time, where AHT data was often mentioned – either independently of, or in addition to, feedback on the need to provide updates to the customer every 180 seconds.[270]

4.97 Virgin Media confirmed that [Partner C] identified 3982 instances of a unique Retention Agent failing the 'Hold' attribute three or more times within any three-month period.[271] However, it only provided evidence of six instances of formal action relating to the 'Hold' attribute, one of which refers to the introduction of a PIP. The six cases are as follows:

(i) One formal disciplinary meeting in which it was decided to issue a first written warning to the Retention Agent concerned about using hold inappropriately.[272]

(ii) One invite to a formal disciplinary hearing due to instances of *"cold transferring/Call avoidance"* (the internal request form for the meeting refers to putting customers on hold for long periods of time and transferring them to irrelevant departments).[273]

(iii) Four documented discussions – in one the Retention Agent concerned is advised that exceeding the 180 seconds for hold came up in four call evaluations and that they would be placed on a PIP; in another a Retention Agent is warned about repeated issues with the 180 second threshold and told there will be a probation review meeting; in another, the agent is warned about the 180 second threshold; and in the other the Retention Agent is warned about hold and other attributes, in the context of meeting the 95% target for evaluations.[274]

4.98 Virgin Media therefore provided limited evidence of appropriate follow-up action being taken for non-compliance with the 'Hold' attribute. In any event, we consider that – even if appropriate follow-up action had been taken systematically – it would not ultimately have addressed the issue of excessive and/or repeated use of hold, nor would it have addressed the issue of Retention Agents putting customers on hold unnecessarily – concerns that were regularly raised in CCT complaints (see Annex 2). This is because of the limitations with the 'Hold' attribute identified above.

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[269] Response to Second Information Request, 28 August 2024, Question (10)(d)(iv), *'Feedback Conversations Redacted 1*', page 3 (team meeting note from 31 August 2022).

[270] Initial Response to Fourth Information Request, 29 April 2025, Question (22). For inbound calls, AHT measured 'Talk Time' (customer live on call) + 'Hold Time' (total time when customer is placed on hold using the system's hold function and music played) + 'Wrap time' (time after the call ends for the agent to complete notes and actions) divided by the number of inbound calls. Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(d), sub-folder *'Q17 (d)'*, sub-folder *'Annex 17(d) [Partner A] Informal'*, *'[Partner A] Informal 414*' is a coaching record, dated 10 October 2023, noting excessive AHT and that a main driver was long hold time.

[271] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(b)(iii)(1).

[272] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(c), sub-folder *'Q17 (c)'*, sub-folder *'Annex 17(c) [Partner A] Formal', '[Partner A] Formal 6'.*

[273] Response to Second Information Request, 28 August 2024, Question (10)(e)(ii), *'Action on Failed Compliance Redacted 4*', pages 2-3.

[274] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(c), sub-folder *'Q17 (c)'*, sub-folder *'Annex 17(c) [Partner A] Formal'*, *'[Partner A] Formal 57'* and *'[Partner A] Formal 68'*; and sub-folder *'Q17 (d)'*, sub-folder *'Annex 17(d) [Partner A] Informal'*, *'[Partner A] Informal 564'* and *'[Partner A] Informal 565'.*

4.99 We recognise that Virgin Media had, nevertheless, identified the "Hold" attribute as an area of ongoing focus during the Relevant Period.[275] We also recognise that, towards the end of the Relevant Period in August 2024, Virgin Media formalised an action plan concerning the 'Hold' attribute, in response to a decline in compliance rates from *"80% in May 2024 to 75% in July 2024".* Virgin Media noted *"higher-than-necessary call durations" and "occasional inconsistencies in setting clear expectations with customers regarding hold times"* and, as a result, one of the measures taken was to implement *"targeted feedback to Retentions Team Managers regarding repeat occurrences"*, as well as sharing additional data and summaries (which Virgin Media said was with the intention of helping Team Managers to identify agents who fell within scope of performance management).[276] In an email on 21 August 2024, one of the points Virgin Media requested was that all evaluators and auditors should note the length of time during which a customer was put on hold without being told, the start and length of "*each non-talk time* [if this was not signposted] *…for example 'There was 4:21 minutes of continuous non-talk time between 9:11 and 13:32'"*, and to note down additional exacerbating factors such as indications from the customer that they were not sure if the agent was still on the line.[277] In addition, Virgin Media requested that evaluators and auditors should include in their comments the reason for the markdown with the intention of ensuring that the feedback was clear.[278] Virgin Media also provided examples of warning letters that were sent to Retention Agents following this initiative, where instances *of "unnecessary placing the call on hold/dead air for more than two minutes*" were highlighted.[279]

4.100 As explained above, there were also no guardrails in Virgin Media's commission scheme that were likely to reduce a Retention Agent's commission for any unnecessary and/or excessive use of hold. We have concluded that Retention Agents were therefore encouraged and financially rewarded for using this Relevant Behaviour to achieve or exceed their retention targets.

4.101 For the reasons set out above, and taking into account the volume of CCT complaints we received about the use of hold,[280] we have found that it is likely that many Retention Agents were not following the Rocket Science guidance to only use hold *"when absolutely necessary",* and more generally were using it excessively, in order to avoid disconnecting the customer and maintain or exceed retention targets. It is our conclusion that the unnecessary and/or excessive use of hold was rarely (or at least not routinely) detected by Virgin Media as part of routine call monitoring.

Deliberately dropping calls

4.102 As set out above at paragraph 4.35(ii), Virgin Media's Rocket Science guidance advised that Retention Agents should attempt to call customers back where a call had dropped. It also

[275] Response to Second Information Request, 28 August 2024, Question (11).
[276] Initial Response to Fourth Information Request, 29 April 2025, Question (12).
[277] Initial Response to Fourth Information Request, 29 April 2025, Question (12), including *'Action Plan Treatment Email-1 and 2'.*
[278] Initial Response to Fourth Information Request, 29 April 2025, Question (12), *'Action Plan Treatment Email – 2'*.
[279] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(c), sub-folder *'Q17 (c)'*, sub-folder *'Annex 17(c) [Partner B] Formal' '[Partner B] Formal [multiple documents]'*, nos. *1, 3, 7, 8, 9, 10, 11, 12, 13*.
[280] See from paragraph A2.30 of Annex 2.

advised that, if they were unable to connect with the customer and the customer had requested cancellation before the call had dropped, that they should process the disconnection and log the outcome as 'not saved' (but did not explain how this applied with respect to Tier 1 Retention Agents who could not process disconnections).[281] The same process was also outlined in the 'CR Call Type Brief' document used by [Partner A] from March 2022 onwards.[282] The Rocket Science module did not make reference to deliberately dropping calls and, in particular, did not contain an explicit or clear instruction or prohibition against doing so.

4.103 There was no dedicated attribute in Virgin Media's Compliance Framework in relation to dropped calls. Instead, Virgin Media explained that the attributes that most closely related to the 'Dropped Calls' Rocket Science module were the 'Switching', 'Complaint Handling' and 'Account Notes' attributes.[283] However, the descriptions for these attributes do not refer to dropped calls and Virgin Media did not provide [Partner C] with any written guidance or instructions on marking for this specific issue in relation to these attributes. The copies of meeting notes from 'calibration sessions' that Virgin Media had with [Partner C] also did not contain any reference to dropped calls being in scope of either attribute.[284]

4.104 As also noted in the context of appropriate retain conversations above, for the first twelve months of the Relevant Period, the 'Switching' attribute only applied to calls where customers had been logged as being 'disconnected'.[285] In practice, this meant the attribute could only be considered in calls drawn from approximately 14% of Tier 2 calls that were logged as such within these 12 months, and therefore not drawn from the much larger number of calls with other outcomes for Tier 2 (i.e. the remaining 86%), or any Tier 1 calls.[286] During this period, the 'Call/disconnection avoidance' attribute was still in place, but we consider that this attribute did not make up for the shortfall in what was monitored under the 'Switching' attribute. This is because no review data was ever recorded against the 'Call/disconnection avoidance' attribute because, as Virgin Media explained, *"by definition, none of these calls were avoided"* (see paragraph 4.48 above).

4.105 Virgin Media confirmed that [Partner C] marked the 'Switching' attribute as failed in just 0.8% of the 106,517 call (and webchat) evaluations it considered it in.[287] Virgin Media confirmed that [Partner C] identified 503 instances of Retention Agents failing the attribute once within any three-month period, and 98 of Retention Agents failing it twice within a three-month period.[288] Virgin Media also confirmed that [Partner C] marked the 'Account

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[281] Initial Response to First Information Request, 29 November 2023, Question (6)(c), *'RS_Dropped-Calls'*.
[282] Follow-up Response to First Information Request, 16 February 2024, Question (2), *'CR Call Type Brief'*.
[283] Initial Response to Fourth Information Request, 29 April 2025, Question (11). Virgin Media advised that the 'Account Notes' attribute was also relevant to the logging of a disconnection- see section below. We note that this attribute applied to the recording of notes generally and was not limited to disconnection requests.
[284] Response to Second Information Request, 28 August 2024, Question (12)(b). Virgin media provided 20 meeting notes dating from 27 October 2022 to 11 July 2024, the timing of which vary from weekly to monthly. Although *'MOM Retain 24th August2023'* refers to a call that disconnected, the discussion appears to focus on whether the Retention Agent was regularly updating the customer when they put them on hold.
[285] Initial Response to Fourth Information Request, 29 April 2025, Question (10)(a).
[286] Follow-up Response to Fourth Information Request, 9 May 2025, Question (26), *'Annex_26(a)'*. There were 3,521,761 calls to Tier 2 in the first twelve months of the Relevant Period; of which 489,743 (14%) ended in a disconnection.
[287] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(e). *'Attribute-wise compliance Jan 22 - 11 Sept 24'*, 877 fails identified, 106,517 call and webchat evaluations.
[288] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(b)

Notes' attribute as failed in 4% of the 218,386 call (and webchat) evaluations it considered it in.[289] In addition, Virgin Media confirmed that [Partner C] identified 3,006 instances of Retention Agents failing the 'Account Notes' attribute once, and 1,108 instances of Retention Agents failing it twice, within any three-month period.[290]

4.106 Virgin Media provided evidence of 166 instances of informal follow-up action being taken in respect to non-compliance with the 'Account Notes' attribute (but provided no evidence of such in relation to the 'Switching' attribute), as well as two other instances of informal action which specifically refer to dropped calls. In total, it provided:

(i) 160 instances of feedback given to Retention Agents who failed the 'Account Notes' attribute twice within a three-month period (though some of these instances appear to be in response to a single instance of failure, see paragraphs 4.59 and 4.60 above) – however, it is not clear whether these failures of the 'Account Notes' attribute and feedback actually related to dropped calls.[291]

(ii) Three instances of Retention Agents being coached about 'Account Notes' (however, it is not clear whether this coaching included any content on dropped calls).[292]

(iii) One file note of a conversation where a Retention Agent, who was given feedback across a number of calls, and was reminded to call customers back after a dropped call.[293]

(iv) One coaching session on dropped calls.[294]

(v) Three instances of feedback given to Retention Agents who failed the 'Account Notes' attribute three or more times within a three-month period (however, it is not clear whether these failures of the 'Account Notes' attribute and feedback actually related to dropped calls).[295]

4.107 Virgin Media confirmed that [Partner C] identified 713 instances of unique Retention Agents failing the 'Account Notes' attribute three or more times within any three-month period, and 54 instances of Retention Agents failing the 'Switching' attribute in this way.[296] Even taking into account Virgin Media's explanation for why there would not be a direct correlation

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[289] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(e). *'Attribute-wise compliance Jan 22 - 11 Sept 24'*, 8,930 fails identified, 218,386 call and webchat evaluations. The 'Account Notes' attribute was considered in 98% of evaluations.

[290] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(b).

[291] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(d), sub-folder *'Q 17 (d)'* containing 945 numbered documents and *'[Partner A] Informal 2022'* containing 243 evaluation reviews.

[292] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(d), sub-folder *'Q17 (d)'*, sub-folder *'Annex 17(d) [Partner B] Informal'*, *'[Partner B] informal 27 Examples',* rows 6, 24 and 26. It is unclear whether these concerned notes about disconnection attempts.

[293] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(c), sub-folder *'Q17 (c)'*, sub-folder *'Annex 17(c) [Partner A] Formal'*, *'[Partner A] Formal 54'*.

[294] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(d), sub-folder *'Q17 (d)'*, sub-folder *'Annex 17(d) [Partner B] Informal'*, *'Pulse_Coaching_Session_ID-45081863.[✂](Agent).102138570.05222024 [REDACTED]'.*

[295] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(d), sub-folder *'Q 17 (d)'* containing 945 numbered documents and *'[Partner A] Informal 2022'* containing 243 evaluation reviews.

[296] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(b)(iii)(1).

between the number of repeatedly failed attributes and PIPs, it only provided evidence of two instances of formal action:

(i) One documented discussion with a Retention Agent about a dropped call in which the manager confirms that a cancellation should be booked if a customer has requested it before the call drops, even if they do not pick up when called back. The manager advises that any further instances will be dealt with as a conduct issue.[297]

(ii) One instance of the deliberate dropping of calls (and avoiding disconnections) leading to a Retention Agent being dismissed in their probationary period.[298]

4.108 Beyond the Compliance Framework, we understand that Virgin Media tracked the volumes of calls that were dropped in less than 30 seconds through its monitoring of '**Short Calls**'.[299] From late June 2024, Virgin Media introduced an automatic alert system for repeated Short Calls which alerted Team Managers where a Retention Agent in their team had three or more Short Calls in a day. This system created just over 7,000 alerts in relation to over 21,000 Short Calls in the 10 weeks between 1 July 2024 and 11 September 2024, relating to over 900 individual Retention Agents across ten different call centre sites.[300] This also included outbound calls lasting less than 30 seconds as Virgin Media was not able to distinguish between inbound and outbound calls as part of the alert.[301]

4.109 Virgin Media determined that Retention Agents dropping calls by hanging up on customers was one of the root causes for high levels of Short Call alerts (although it did not quantify what proportion of Short Calls were caused by this).[302] Given there were other reasons a Short Call may have been dropped, we recognise that it is not possible to quantify the exact number that were agent-derived. It is, however, our view that many of the customers on the 21,000 Short Calls over the 10-week period during the Relevant Period were likely to have been subject to an agent-derived Short Call. If similar levels of Short Calls occurred during the rest of the 140-week Relevant Period, we consider that many of these (of the just over 300,000, assuming this rate was sustained) were also likely to have been dropped by a Retention Agent. Further, evidence from CCT complaints suggests that many more calls may have been dropped beyond the 30 second point – including calls that were dropped after security checks and the Retention Agent establishing the customer's reason for calling and attempted to save the customer – which would not have been detected through this monitoring.[303]

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[297] Response to Second Information Request, 28 August 2024, Question (10)(d)(iv), *'Feedback Conversations Redacted 1*', pages 67-70. This conversation also discusses the use of hold.
[298] Response to Second Information Request, 28 August 2024, Question (10)(d)(iv), *'Feedback Conversations – Redacted 1'*, pages 122-124.
[299] Follow-up Response to First Information Request, 16 February 2024, Question (19)(a), *'ContactCentreScorecard'*. provides an example report from 27 November 2023.
[300] Initial Response to Fourth Information Request, 29 April 2025, Question (18)(a), *'Short Calls July 2024 to 11th September 2024'*. 2,230 of the alerts were attributable to one Partner site – [Partner A]'s [✀] site.
[301] Initial Response to Fourth Information Request, 29 April 2025, Question (18)(c).
[302] Initial Response to Fourth Information Request, 29 April 2025, Question (18)(c), sub-folder *'[Partner A] Offshore Documents Conversations and Dismissal Documents': 'Short Call Example 1'* (corrective action record dated 14 November 2023); *'Short Calls Example 2 (*corrective action record dated 27 September 2024*); 'Disciplinary Hearing – Dismissal- Letter'* (dated April 2025); *'DD&ICN Short Calls 27.09.2024'* (documented discussion); *and 'shortcalls Contact Log infractions'* (documented discussion dated December 2024).
[303] See from paragraph A2.36 of Annex 2.

4.110 Virgin Media also identified dropped calls as an issue through its monitoring of customer experience via customer complaints and feedback. In Virgin Media's commentary on CCT complaint data from January 2022 through to April 2023, Virgin Media acknowledged that complaints referred to dropped calls and that they were both network and agent-derived, listing this as a *"key focus area"*.[304] On 29 January 2024, Virgin Media issued a communication to agents advising that it was seeing instances in ACE customer survey responses and within customer complaints that: *"customers are experiencing calls being dropped before the conversation is finished. The customer is then making repeat calls back to the business, resulting in a poor customer experience, negative impacts to FTR, increased customer dissatisfaction and poor comments in ACE and NPS".*[305] The communication also reminded agents about the Rocket Science module which, as noted above at paragraph 4.35(ii), did not make reference to deliberately dropping calls and, in particular, did not contain an explicit or clear instruction or prohibition against doing so. Virgin Media also provided evidence of three coaching conversations with Retention Agents about dropped calls in the context of FTR rates, all of which referred to the expectations set out in the Rocket Science module. One included an action plan and warned that failing again would result in a PIP, and the other two included reminders about the need to call customers back when a call dropped.[306]

4.111 It is also our conclusion that there were no guardrails in Virgin Media's commission scheme (see from paragraph 4.14 above) that were likely to reduce a Retention Agent's commission if they deliberately dropped calls. Although there were indications in communications sent to Retention Agents that FTR was impacted by this Relevant Behaviour and may therefore have reduced some commission payouts by small amounts, we consider that Retention Agents were otherwise financially rewarded for using this Relevant Behaviour to achieve or exceed retention targets.

4.112 For the reasons set out above, and taking into account the volume of CCT complaints we received about dropped calls,[307] it is our view that it is likely that a significant number of calls were deliberately dropped by Retention Agents in order to meet or exceed their retention rate. There was no dedicated attribute for dropped calls under Virgin Media's Compliance Framework as part of its routine call monitoring and the evidence indicates that dropped calls lasting longer than 30 seconds were rarely (or at least not routinely) detected by Virgin Media. Even where Virgin Media did identify Short Calls and other dropped calls, follow-up action was very limited.

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[304] Follow-up Response to First Information Request, 16 February 2024, Question (17)(a) and (b), *'OFCOM update to end Apr-23'.* This document was a copy of Virgin Media's *'Retentions Operational Performance Update'* for 2023.

[305] Response to Second Information Request, 28 August 2024, Question (3)(a), *'Identifying and Reducing Short and Dropped Calls'*; Follow-up Response to Fourth Information Request, 9 May 2025, Question (26), *'Annex 26(a)'.* The document *'Annex 26(a)'* shows that, between November 2022 to the end of the Relevant Period, an average of 15% of calls per month to a Tier 1 Retention Agent were repeat calls within 7 days which means that customers were either calling back or being transferred more than once within a single call.

[306] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(c), sub-folder *'Q17 (c)'*, sub-folder *'Annex 17(c) [Partner A] Formal'*, *'[Partner A] Formal 27*', and *'[Partner A] Formal 25*'; and Question (26), *'Annex 26(g)'.*

[307] See from paragraph A2.36 of Annex 2.

Failing to log and/or process disconnection requests

4.113 As set out above at paragraph 4.30 and 4.34(v), both Virgin Media's mandatory training and Rocket Science guidance advised that, for all disconnections, Retention Agents needed to (i) put it through as a work order in its ICOMS system in order for it to be processed and (ii) record the outcome in Salespoint for business purposes. Virgin Media's Rocket Science guidance also advised that Retention Agents should leave clear and accurate notes of actions taken in the customer's account (see paragraph 4.34(iv)), including marking a call resulting in a disconnection as 'not saved' and noting any offers made after every call.[308]

4.114 Virgin Media's Compliance Framework included an attribute called 'Accuracy of Work Order' against which calls were assessed for whether *"agreed changes are processed accurately on the system".* Virgin Media said this was designed to capture the appropriate logging of account changes which included (but was not limited to) whether a disconnection was logged in its ICOMS system.[309] Virgin Media's Compliance Framework also included the attribute 'Account Notes', which related to whether a Retention Agent left clear and accurate notes of a call and if they included key information (including actions taken).[310]

4.115 Both of these attributes were discussed in meeting notes Virgin Media provided from its calibration sessions with [Partner C], however the issue of Retention Agents not processing a disconnection was not raised within those notes.[311] For example, one meeting note discussed Retention Agents failing to note the reason for a disconnection in the context of 'Account Notes', where it was noted it should be marked as 'red'.[312] In another meeting note, the 'Accuracy of Work Order' attribute was considered in the context of inputting the wrong reason code for a home mover and where package start date information given to the customer differed to information on the system.[313]

4.116 In December 2023, Virgin Media added a 'Critical Fail/Customer Detriment' column to all attributes under the Compliance Framework for recording *"where an outcome may trigger remedial action by a Retention Customer Service Agent or Team Manager".* For the 'Switching' attribute, an evaluator could note in this column if a disconnection was requested and not booked.[314]

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[308] Follow-up Response to First Information Request, 16 February 2024, Question (2), *'RS_Disconnecting-Customers'*.
[309] Initial Response to Fourth Information Request, 29 April 2025, Question (11)(a)(iii) and (11)(b).
[310] Initial Response to Fourth Information Request, 29 April 2025, Question (11). Virgin Media advised that the 'Account Notes' attribute was also relevant to dropped calls- see section above. We note that this attribute applied to the recording of notes generally and was not limited to disconnection requests.
[311] Response to Second Information Request, 28 August 2024, Question (12)(b). Virgin Media provided 20 meeting notes dating from 27 October 2022 to 11 July 2024, the timing of which vary from weekly to monthly.
[312] Response to Second Information Request, 28 August 2024, Question (12)(b), *'MOM Retain 11th July'2024'*. In *'MOM Retain 18th Jan'24'* it refers to noting whether there was a disconnection or sale.
[313] Response to Second Information Request, 28 August 2024, Question (12)(b), *'MOM Retain 14th Dec'23'* and *'MOM Retain 28th March'2024'*, respectively.
[314] Response to Second Information Request, 28 August 2024, Question (10)(c), *'Retain and Sales (Fixed Line) Compliance Monitoring Framework V1 Final.pdf'.* Virgin Media advised that this version of the Compliance Framework was gradually introduced from January 2024 until it applied to all teams in May 2024. However, it later clarified it was December 2023 (Correspondence from Virgin Media, 29 May 2026).

4.117 Virgin Media confirmed that [Partner C] marked the 'Accuracy of Work Order' attribute as failed in 0.2% of the 216,185 call (and webchat) evaluations it considered it in.[315] Virgin Media also confirmed that [Partner C] identified 309 instances of Retention Agents failing the 'Accuracy of Work Order' attribute once within any three-month period, and 17 of Retention Agents failing it twice within a three-month period.[316] Virgin Media confirmed that [Partner C] marked the 'Account Notes' attribute as failed in 4% of the 218,386 call (and webchat) evaluations it considered it in.[317] Virgin Media also confirmed that [Partner C] identified 3,006 instances of Retention Agents failing the 'Account Notes' attribute once, and 1,108 instances of Retention Agents failing it twice, within any three-month period.[318]

4.118 Virgin Media provided evidence of 168 instances of informal follow-up action being taken in respect to non-compliance with either the 'Accuracy of Work Order' or 'Account Notes' attribute, as well as one other instance of informal action in the context of a disconnection not being logged. In total, it provided:

(i) 162 instances of feedback given to Retention Agents who failed either the 'Accuracy of Work Order' (two) or 'Account Notes' (160) attribute twice within a three-month period (though some of these instances appear to be in response to a single instance of failure, see paragraphs 4.59 and 4.60 above) – however, it is not clear whether the failures of the 'Accuracy of Work Order' and 'Account Notes' attributes and the feedback actually related to the failure to log and/or process a disconnection request or another issue.[319]

(ii) One note of a meeting with a Retention Agent titled 'Disconnections not logged' in which the Retention Agent is noted, for the month in question, for having two *"instances so far that have not been logged. And the notes are non-existent…"*. The Retention Agent concerned was warned about the potential for disciplinary action.[320]

(iii) Three instances of Retention Agents being coached about account notes (however, it is not clear whether the failure of the 'Account Notes' attribute and the coaching actually related to the failure to log and/or process a disconnection request or another issue).[321]

(iv) Three instances of feedback given to Retention Agents who failed the 'Account Notes' attribute three times or more within a three-month period (however, it is not clear whether the failure of the 'Account Notes' attribute and the feedback actually

[315] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(e), *'Attribute-wise compliance Jan 22 - 11 Sept 24'.* In total, 338 fails were identified out of 216,195 call and webchat evaluations. The 'Accuracy of Work Order' attribute was considered in 97% of evaluations.
[316] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(b)(i) and (ii).
[317] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(e), *'Attribute-wise compliance Jan 22 - 11 Sept 24'*. In total, 8930 fails were identified out of 218,386 call and webchat evaluations. The 'Account Notes' attribute was considered in 98% of evaluations.
[318] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(b)(i) and (ii).
[319] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(d), sub-folder *'Q 17 (d)'* containing 945 numbered documents and *'[Partner A] Informal 2022'* containing 243 evaluation reviews.
[320] Response to Second Information Request, 28 August 2024, Question (10)(d)(iv), *'Feedback Conversations Redacted 1*', page 23.
[321] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(d), sub-folder *'Q17 (d)'*, sub-folder *'Annex 17(d) [Partner B] Informal'*, *'[Partner B] informal 27 Examples',* rows 6, 24 and 26. It is unclear whether this concerned notes about disconnection attempts.

related to the failure to log and/or process a disconnection request or another issue).[322]

4.119 Virgin Media confirmed that [Partner C] identified 713 instances of unique Retention Agents failing the 'Account Notes' attribute three or more times within any three-month period, but only one instance of a unique Retention Agent failing the 'Accuracy of Work Order' attribute in this way.[323] Virgin Media has not provided any evidence of formal action relating to the 'Accuracy of Work Order' or 'Account Notes' attributes.

4.120 Beyond the Compliance Framework:

(i) Virgin Media carried out regular system generated 'Disconnection Not Logged' reports which identified cases where Retention Agents had recorded a disconnection on ICOMS but not on Salespoint (which could impact commission, see paragraph 4.16(ii) above), but crucially it did not monitor where Retention Agents had failed to log or process a disconnection on ICOMS.[324]

(ii) As set out above at paragraph 4.16(i), Virgin Media had a process in place called Churn Feedback where a Retention Agent could report another Retention Agent for not processing a customer's request to cancel on a previous call (for any reason – see footnote 87) when they should have done. Retention Agents made over 93,000 submissions of Churn Feedback, of which around 27,500 (just under 30%) were marked as valid.[325] Each instance of valid Churn Feedback would result in a 5% reduction in commission.[326] Virgin Media did not implement any audits or checks of Team Managers' marking of whether Churn Feedback was 'valid'.[327] Within examples of feedback conversations, Virgin Media provided 11 instances where a Retention Agent was given feedback and guidance after Churn Feedback.[328]

(iii) In January 2024, Virgin Media introduced supplementary quality assurance monitoring which it said focused on identifying potential disconnection barriers (*"instances where an agent may not have booked a disconnection despite a customer's request"*). Virgin Media noted that this was undertaken to *"address limitations in BAU monitoring, which may not always capture such instances, especially outside of designated 'disconnection' or 'retention' call types"*. Virgin Media confirmed this was for insight purposes, rather than to provide feedback directly to Retention Agents. Of the nearly 18,500 calls between January 2024 and March 2025

[322] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(d), sub-folder *'Q 17 (d)'* containing 945 numbered documents and *'[Partner A] Informal 2022'* containing 243 evaluation reviews.
[323] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(b)(iii)(1).
[324] Response to Second Information Request, 28 August 2024, Question (1).
[325] Initial Response to Fourth Information Request, 29 April 2025, Question (19)(a), *'Updated Q1 data'.* Churn Feedback could apply to both Voice and Messenger agents. Almost 3,500 Retention Agents had validated Churn Feedback logged against them more than once during the Relevant Period.
[326] Response to Second Information Request, 28 August 2024, Question (1)(a)(iii) and Question (1)(d)(iv).
[327] Initial Response to Fourth Information Request, 29 April 2025, Question (19)(b)(v). Virgin Media also advised that individual cases may have needed to be periodically reviewed if escalations occurred.
[328] Response to Second Information Request, 28 August 2024, Question (10)(d)(iv), *'Feedback Conversations Redacted 1'*; Response to Second Information Request, 28 August 2024, Question (10)(e)(ii), *'Action on Failed Compliance Redacted 7'*. The document *'Feedback Conversations Redacted 1'* included nine instances where commission was reduced for Churn Feedback (see pages 17, 21, 22, 56, 58, 62, 85, 97, 119); whilst *'Action on Failed Compliance Redacted 7'* included two instances where commission was reduced for Churn Feedback (see pages 12-16, and page 19).

(the last 6 months fell outside of the Relevant Period) that [Partner C] reviewed, it only found 58 instances (less than 1%) which it considered contained disconnection barriers.[329]

4.121 We have determined that a significant number of Retention Agents were likely not following relevant training and guidance and, as a result, were failing to log and/or process disconnections, in order to avoid disconnecting the customer and meet or exceed their retention targets. We consider that this was largely not identified through either the 'Accuracy of Work Order' or the 'Account Notes' attribute under the Compliance Framework. We consider that this is demonstrated by: (i) the volume of CCT complaints on this issue, with customers saying they were informed that a disconnection was being put through on an earlier call only to later receive an ongoing bill;[330] and (ii) the volume of valid Churn Feedback reports (see paragraph 4.16(i) above). We acknowledge that Virgin Media's additional supplementary monitoring (see paragraph 4.120(iii) above) did not highlight widespread failures by Retention Agents to log disconnections. We have not considered in detail how Virgin Media carried out this monitoring, but we note that the reviews were only carried out between January 2024 and March 2025, i.e. towards the end of and after the Relevant Period. Given changes made by Virgin Media towards the end of the Relevant Period (including to its commission scheme, see paragraph 5.33(ii)), we consider that the review of calls during this period is unlikely to show the same results as it would have if it had been carried out earlier in the Relevant Period, and therefore that the results of this monitoring were not indicative of how widespread the issue was during the whole Relevant Period.

4.122 Further, in relation to Churn Feedback reports:

(i) While Virgin Media had in place a mechanism for agents to raise feedback for a range of different behaviours via its 'AFTER' tool (including via Churn Feedback), it is our view that the fact that the 'Churn Feedback' process was designed to identify Retention Agents failing to log disconnections indicates an awareness and/or concern that Retention Agents were failing to log disconnections or at least that there was real potential for them to do so.

(ii) A significant percentage of Churn Feedback reports were marked as invalid by Team Managers (65,000, just over 70%). Virgin Media explained that 30% of those reports marked as invalid were either due to (i) automatic marking as invalid by the system after 90 days as a result of inaccurate or incomplete information being provided by the reporting agent or (ii) duplicate reports.[331] Virgin Media also explained that it thought that Tier 2 Retention Agents may have been motivated to provide Churn Feedback where it may not have been required in order to benefit from a commission clawback process that was in place until November 2023.[332] While rates of valid Churn Feedback did marginally increase after the clawback process was removed (from 19% in November 2023), we note that they only averaged at just 22% for the rest of the Relevant Period.[333] Our conclusion is that there were therefore a significant number of Churn Feedback reports marked as invalid for other reasons

[329] Initial Response to Fourth Information Request, 29 April 2025, Question (1)(d)(v).
[330] See from paragraph A2.42 of Annex 2.
[331] Virgin Media correspondence to Ofcom, 29 May 2026.
[332] Virgin Media correspondence to Ofcom, 29 May 2026.
[333] Initial Response to Fourth Information Request, 29 April 2025, Question (19), *'Updated Q1 Data'.*

and at least some are likely to have been incorrectly marked as invalid due to the overarching financial incentive on Team Managers to achieve high retention rates against targets.[334]

(iii) Taking into account the high number of Churn Feedback reports that were marked as invalid by Team Managers or otherwise not validated by the system, it was likely to be financially worthwhile for Retention Agents to use this Relevant Behaviour to achieve and potentially exceed their retention rates, even if this incurred an occasional 5% commission reduction from valid Churn Feedback being logged against them.

(iv) The volume of Churn Feedback submissions still marked as valid indicates that the failure to log disconnections may have been happening at scale.

4.123 Even in the limited instances where Virgin Media's Compliance Framework or Churn Feedback reports identified Retention Agents failing (including repeatedly) to log and/or process disconnections, we have determined that the evidence indicates there was very limited follow-up action taken in response.

Two-tier process for cancellation requests by phone

4.124 We have found that the way in which Virgin Media operated its two-tier cancellation process caused many customers unreasonable effort, hassle and/or undue difficulty and created an inherent obstacle to switching. We consider this process to be contrary to the good practice set out in Ofcom's GC C1.8 guidance, which states that agents should be able to recognise when a customer wishes to cancel without having a retention conversation and, in those circumstances, promptly process the request (see paragraph 3.17 in Section 3).

4.125 As set out above in Section 2 at paragraph 2.20, Virgin Media had in place a two-tier cancellation process throughout the Relevant Period. Under that process, only Tier 2 Retention Agents could process cancellations which meant a customer would need to speak to a Retention Agent in Tier 2 to stand a chance of having their cancellation actioned. If a caller had asked a Tier 1 Retention Agent if they could cancel, the Tier 1 Retention Agent would therefore need to transfer them to Tier 2 where a Tier 2 Retention Agent would make further offers in an attempt to retain the customer. 37% of calls by Virgin Media's Retention Team were initially handled by a Tier 1 Retention Agent.[335]

4.126 In total, customers on over 1.2 million calls were put through from Tier 1 to Tier 2.[336] This meant these customers would have needed to effectively repeat a very similar process twice,

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[334] We recognise that Team Managers were not directly financially affected by the application of valid Churn Feedback. Specifically, Virgin Media explained that: *"Team Managers had no financial incentive to mark Churn Feedback as invalid. In practice, if feedback was marked as valid, any reduction in a Tier 2 Retention Agent's commission would be applied manually at the end of the commission file such that it would not impact the overall team metrics against which Team Managers' commission was calculated."* (Virgin Media correspondence to Ofcom, 29 May 2026). However, we consider that Team Managers did stand to otherwise benefit more broadly from both reducing the instances in which Churn Feedback was validated and from not taking follow-up action with respect to valid Churn Feedback (see paragraph 4.120(ii) above).

[335] Follow-up Response to Fourth Information Request, 9 May 2025, Question (26), *'Annex 26(a)'*. Of the 12,189,731 individual calls that were handled: (i) 4,555,292 were initially handled at Tier 1 and (ii) 7,634,439 initially handled at Tier 2. See footnote 341 for how these figures were calculated.

[336] See footnote 344.

including their request to cancel. Our analysis of CCT complaints revealed that we received complaints which appear to relate to this two-tier system.[337] In these CCT complaints, this process appeared to frustrate customers, who often said that they had selected the cancellation option on the IVR but went through to an agent who said they could not put their cancellation through.[338]

4.127 As part of Virgin Media's commission scheme, Tier 1 Retention Agents were financially incentivised to only transfer a low number of customers to Tier 2 as part of the 'Churn' target. It is our view that these targets were arbitrarily low (set between 22 and 31% – see paragraph 4.10(i) above) and did not take account of the actual number of callers who should have been transferred following a caller's request to cancel services at Tier 1. Tier 1 Retention Agents were set to gain considerably for exceeding these targets (i.e. transferring even less than the already low target for the numbers of calls they should transfer to Tier 2), but they risked losing their commission altogether for missing their target (i.e. transferring too many calls to Tier 2) by a marginal amount. Instances of Retention Agents losing commission as a result of their number of transfers to Tier 2 being over target were regularly noted in Virgin Media's internal monitoring of Retention Agent performance against KPIs.[339] We have concluded that customers are likely to have faced difficulties being transferred from Tier 1 to Tier 2 as a result (including through the use of the Relevant Behaviours).

4.128 We have also found that there were limited guardrails in place to reduce commission in certain circumstances related to the Relevant Behaviours (see from paragraph 4.14 above), which meant Retention Agents were likely to receive commission where Relevant Behaviours were employed in order to avoid transferring to Tier 2. There was also no attribute or assessment criteria within Virgin Media's Compliance Framework (which we set out from paragraph 4.46 above) covering whether a Tier 1 call should have been transferred to Tier 2 but was not.

4.129 Indeed, there is evidence to suggest that customers were often not transferred from Tier 1 to Tier 2 when they should have been. Of the over 4.5 million calls that ended at Tier 1, approximately 1.6 million ended without a new contract and without the caller being transferred to Tier 2 or another internal department outside of the two-tier cancellation process.[340] We recognise that this would include callers who would have gone away to consider an offer made to them at Tier 1. It is, however, our view that many customers on these 1.6 million calls were likely to have experienced a Retention Agent engaging in the Relevant Behaviours in order to prevent transferring them to Tier 2.

4.130 In November 2025 (over a year after the end of the Relevant Period), Virgin Media explained in an update to Ofcom that it was in the process of combining the two tiers of Retention Agents into a singular team, in which all Retention Agents would have the same offers available to them and all Retention Agents would be able to process disconnection requests. Virgin Media stated that this change *"removes any issues/friction identified by Ofcom regarding the potential need to transfer calls between Tier 1 and Tier 2…including potential*

[337] See paragraphs A2.15 to A2.17 of Annex 2.
[338] See, for example, CCT complaint example 1 at paragraph A2.16 of Annex 2.
[339] Follow-up Response to First Information Request, 16 February 2024, Question (9), *'CSRM Jul-23'*; Response to Second Information Request, 28 August 2024, Question (1)(c), *'CSRM – Sep 2022 final'*, *'CSRM – Oct 2022 final'*, *'CSRM – Jan23 final'*, *'CSRM Mar-23 final'*.
[340] See footnote 349.

for delay or dropped calls”. [341], Virgin Media also noted that the training of over 600 Tier 1 Retention Agents under the new model had resulted in a 72% reduction in the volume of transfers within the Retention function.[342]

4.131 Overall, we have found that the two-tier cancellation process created an inherent obstacle to switching which caused customers unreasonable effort, hassle and/or undue difficulty because it required calls handled by Tier 1 to be transferred to Tier 2 to have a second retention conversation before they could cancel. Additionally, the commission scheme rewarded Tier 1 Retention Agents for low volumes of transfers to Tier 2, which incentivised them to use the Relevant Behaviours to avoid transferring customers who wanted to cancel to Tier 2.

Impact on customer behaviour

4.132 In the paragraphs below, we explain our finding that the Relevant Behaviours and the two-tier cancellation process individually and/or collectively had a material impact on customer behaviour and acted as a disincentive to switch, by delaying or preventing customers from taking advantage of a competitor’s offer. This impact is demonstrated by:

(i) Evidence of the Relevant Behaviours and how Virgin Media’s procedures allowed and encouraged Retention Agents to use them, alongside our analysis of call volumes and outcomes; and

(ii) Evidence in complaints submitted to Ofcom, many of which explicitly refer to customers being delayed or prevented from switching.

Call volumes and outcomes

4.133 During the 32-month Relevant Period, Virgin Media’s Retention Agents handled over **12 million calls**.[343] Our understanding of how these were handled and the outcomes that were logged for them is as follows (see also Figure 1 below which illustrates the breakdown of outcomes for each Tier separately):[344]

[342] Update letter from [✂][✂] to [✂], 11 November 2025.

[343] Follow-up Response to Fourth Information Request, 9 May 2025, Question (26), *‘Annex 26(a)’*. For the total, we combined the number of calls handled at Tier 1 (4,555,292, Row 3) with the number calls handled at Tier 2 (8,854,532, Row 10), minus the number of calls that were transferred to Tier 2 from Tier 1 (1,220,093 – see footnote 344). This amounted to a total of 12,189,731 calls handled (Virgin Media confirmed the 8,854,532 accounted for all calls handled at Tier 2, included those transferred from Tier 1). Subtracting the number of calls transferred to Tier 2 from Tier 1 (1,220,093) gives the number of calls that either went directly to Tier 2 from IVR or were put through to Tier 2 by other departments outside of Tier 1 (7,634,439).

[344] The numbers we have cited are rounded to one decimal point. (iii) includes an estimation based on data that relates to some of the Relevant Period (see footnote 347).

(i) Over **4.5 million** calls were handled in Tier 1,[345] of which over **1.2 million** were transferred to Tier 2.[346]

(ii) Nearly **8.9 million** calls were handled in Tier 2,[347] including the over **1.2 million** transferred from Tier 1 plus over **7.6 million** calls that were either directed by the IVR or were put through to Tier 2 from another department.[348]

(iii) Just under an estimated **1.7 million** calls were transferred from either Tier 1 or Tier 2 to an internal department outside of the two-tier cancellation process.[349]

(iv) Over **3.6 million** calls ended in Tier 1 or 2 with the customer agreeing to re-contract.[350]

(v) Over **1.6 million** calls ended at Tier 1 without being transferred to another department outside of the two-tier cancellation process or the customer re-contracting.[351]

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[345] Follow-up Response to Fourth Information Request, 9 May 2025, Question (26), *'Annex 26(a)', row 3*. There was a total of 4,555,292 calls handled at Tier 1.

[346] For calls transferred from Tier 1 to Tier 2 over the Relevant Period, we combined (i) the 471,727 calls transferred from Tier 1 to Tier 2 between January and October 2022 (Response to Second Information Request, 28 August 2024, Question (4), *'Ofcom_Q4_data_'*, cells D4:D13) with (ii) the 748,366 calls transferred from Tier 1 to Tier 2 between November 2022 and 11 September 2024 (Follow-up Response to Fourth Information Request, 9 May 2025, Question (21), *'Annex 21(a)'*, tab (ii), cells B2:X2). This gives a total of 1,220,093.

[347] Follow-up Response to Fourth Information Request, 9 May 2025, Question (26), *'Annex 26(a)'*, row 10. – There were 8,854,532 calls handled at Tier 2.

[348] See footnote 344 for how the over 1.2 million transfers from Tier 1 to Tier 2 was calculated; and footnote 341 for how the over 7.6 million calls direct to Tier 2 from IVR or other departments was calculated.

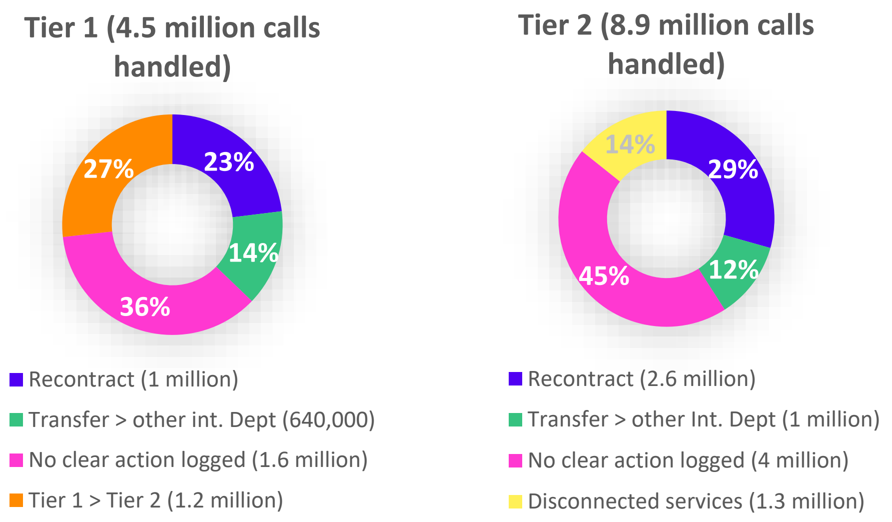
[349] We have calculated this based on data Virgin Media provided on the number of calls handled that were transferred to other departments (outside of the Tier 1 to Tier 2 transfer process) for the period of November 2022 to September 2024, together with an estimate for the remaining months of the Relevant Period (i.e. for January to October 2022) based on this data. In relation to Tier 1, Tier 1 Retention Agents handled 3,061,861 calls between November 2022 and September 2024 (Follow-up Response to Fourth Information Request, 9 May 2025, Question (26), *'Annex 26(a)'*, row 3); and there were 432,780 transfers from Tier 1 to other departments in that same period (Follow-up Response to Fourth Information Request, 9 May 2025, Question (21), *'Annex 21(a)'*, tab (iii), cells E2:AA37). In relation to Tier 2, Tier 2 Retention Agents handled 5,723,746 calls between November 2022 and September 2024 (Follow-up Response to Fourth Information Request, 9 May 2025, Question (26), *'Annex 26(a)'*, Row 10) and there were 661,068 transfers from Tier 2 to other departments in that period (Follow-up Response to Fourth Information Request, 9 May 2025, Question (21), *'Annex 21(a)'*, tab (iv), cells E2:AA40). Assuming that a similar proportion of transfers to other departments (14.13% for Tier 1 and 11.55% for Tier 2) occurred for the period between January and October 2022, we can estimate that there could have been 211,090 transfers from Tier 1 to other departments (out of 1,493,431 calls handled by Tier 1) and 361,592 transfers from Tier 2 to other departments (out of 3,130,786 calls handled by Tier 2). Combining these with the actual figures for the later months of the Relevant Period, gives a total of 1,666,530 (643,870 at Tier 1 and 1,022,660 at Tier 2).

[350] Follow-up Response to Fourth Information Request, 9 May 2025, Question (26), *'Annex 26(a)'*. For the total number of calls that ended with the customer agreeing to re-contract, we combined (i) total number of re-contracts booked at Tier 1 (1,049,888 shown across Row 5 in *'Annex 26(a)'*) with (ii) total number of re-contracts booked at Tier 2 (2,600,964 shown across Row 13 in *'Annex 26(a)'*). This gives a total of 3,650,852.

[351] This has been calculated using the number of calls handled at Tier 1 (4,555,292 – see footnote 343) minus the number of calls that: (i) ended with a re-contract at Tier 1 (1,049,888 – see footnote 348); (ii) were transferred to Tier 2 (1,220,093 – see footnote 344); and (iii) were transferred to a department outside of Virgin Media's retention team from Tier 1 (643,870 – see footnote 347). This gives a total of 1,641,441 calls.

(vi) Just under **4 million** calls ended at Tier 2 without the caller being transferred to another department outside of the two-tier cancellation process, without them re-contracting and without a disconnection being booked.[352]

(vii) Nearly **1.3 million** calls ended in Tier 2 with the customer leaving Virgin Media.[353]



Section 4, Figure 1: Breakdown of outcomes to calls for both Tier 1 and Tier 2 callers

4.134 In the paragraphs below (from paragraph 4.136) and in Annex 2, we have provided evidence of the existence and use of Virgin Media's two-tier cancellation process and the Relevant Behaviours. We have also set out above (under 'Relevant Behaviours' from paragraph 4.5 and under 'Two-tier process for cancellation requests by phone' from paragraph 4.124) how Virgin Media's procedures allowed and encouraged Retention Agents to use these behaviours and created the two-tier cancellation process. Taking these points and our analysis of call volumes and outcomes into account, we have found that customers on millions of calls experienced the Relevant Behaviours and/or two-tier cancellation process which caused them unreasonable effort, hassle and/or undue difficulty when trying to cancel. We have concluded that these procedures likely acted as a disincentive to switch for these customers by delaying or preventing them from taking advantage of a competitor's offer. While it is not possible in some cases to quantify the exact number of callers who were affected, we have found that:[354]

[352] This has been calculated using the number of calls handled at Tier 2 (8,854,532 – see footnote 345) minus the number of calls that: (i) ended with a re-contract (2,600,964 – see footnote 348), (ii) ended with a disconnection (1,263,458 – see footnote 351), and (iii) were transferred to a department outside of the retention team (1,022,660 – see footnote 347). This gives a total of 3,967,450 calls.

[353] Follow-up Response to Fourth Information Request, 9 May 2025, Question (26), *'Annex 26(a)'*, row 12. There was a total of 1,263,458 disconnections that were booked by a Tier 2 Retention Agent.

[354] We recognise that some customers may have experienced the two-tier cancellation process and/or one or more Relevant Behaviours on the same call or a customer may have called repeatedly in order to try and cancel. The total number of customers and calls on which customers are likely to have been disincentivised from switching is therefore likely to be lower than the total of the number of calls identified below.

(i) The customers on over **1.2 million** calls who were transferred from Tier 1 to Tier 2 faced the inherent obstacle of being passed between Retention Agents in order to progress their cancellation.[355] It is also likely that many of these customers were subject to one or more Relevant Behaviours with either or both of these Retention Agents.

(ii) Many of the nearly **1.7 million** calls that were transferred to a department outside of Virgin Media's retention team (most frequently to (i) Movers*,* (ii) Customer Services or (iii) Collections)[356] were likely to have been unnecessarily transferred. We recognise that some callers needed to be transferred to Virgin Media's Movers department if they were moving home; to Customer Services if they had general issues or queries (such as billing); or to Collections in certain circumstances relating to non-payment (see paragraph 4.88 above). However, CCT complaints (and associated call recordings) often reported concerns about being transferred to what the customer considered to be an incorrect department or where they felt it was not needed (see Annex 2, in particular paragraphs A2.18, A2.21 and A2.23).

(iii) Many of the over **5.6 million** calls that ended within Tier 1 or Tier 2 which concluded without a clear action being logged were likely to be the result of a Retention Agent engaging in one or more of the Relevant Behaviours in order to 'save' the customer on the call.[357] While we recognise that a proportion of these would have been callers who went away to consider an offer before calling back, it is our view that many were not.

(iv) Many of the customers on the over **2.3 million** calls who were either transferred more than once during their call or who made another call to Virgin Media within the next seven days, were likely to have experienced one or more of the Relevant Behaviours.[358] While we acknowledge that it is possible that there could have been

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[355] See footnote 344.

[356] Follow-up Response to Fourth Information Request, 9 May 2025, Question (21), *'Annex 21(a)'*, tabs (iii) and (iv). Most transfers went to three internal departments: Movers (22% at Tier 1, 29% at Tier 2); Customer Services (30% at Tier 1, 27% at Tier 2); and Collections (12% at Tier 1, 10% at Tier 2). Total number of transfers to other departments from Tier 1 and Tier 2 was 643,870 and 1,022,660 respectively, making an overall total of 1,666,530 (see footnote 347).

[357] 5,608,891 calls ended at Tier 1 or Tier 2 without a clear action being logged, i.e. the call ended without a customer taking a deal or re-contracting, being put through to another department or (in the case of calls with Tier 2 Retention Agents) their cancellation being processed. The individual figures for Tier 1 and Tier 2 were 1,641,441 and 3,967,450 respectively (see footnotes 349 and 350).

[358] Based on data Virgin Media provided on the number of calls handled that were '7 Day Repeats' (i.e. either transferred more than once or customer who called Virgin Media more than once within 7 days) for the period of November 2022 to September 2024, together with an estimate for the remaining months of the Relevant Period (i.e. January 2022 October 2022) based on this data. In relation to Tier 1, Tier 1 Retention Agents handled 3,061,861 calls between November 2022 and September 2024 and there were 457,761 '7 Day Repeats' identified in that same period (Follow-up Response to Fourth Information Request, 9 May 2025, Question (26), *'Annex 26(a)'*, rows 3 and 6). In relation to Tier 2, Tier 2 Retention Agents handled 5,723,746 calls between November 2022 and September 2024 and there were 1,068,345 '7 Day Repeats' identified in the same period (Follow-up Response to Fourth Information Request, 9 May 2025, Question (26), *'Annex 26(a)'*, rows 10 and 14). Assuming a similar proportion of '7 Day Repeats' (14.95% for Tier 1 and 18.67% for Tier 2) occurred for the period between January and October 2022, we can estimate that there could have been 223,274 '7 Day Repeats' out of the 1,493,431 calls handled by Tier 1 and 584,365 '7 Day Repeats' out of the 3,130,786 calls handled by Tier 2. Combining these with the '7 Day Repeats' actual figures for the later months of the Relevant Period, it gives a total of 2,333,745 (681,035 at Tier 1 and 1,652,710 at Tier 2).

legitimate reasons for having been transferred more than once in a single call and that some customers could have called back having considered offers made previously, we consider that many of these either related to (i) unnecessary transfers or (ii) call backs as a result of a customer experiencing a dropped call or having experienced another Relevant Behaviour(s).

(v) Many of the customers on the 21,000 Short Calls over a 10-week period during the Relevant Period were likely to have had their call dropped by a Retention Agent. If similar levels of Short Calls occurred during the rest of the Relevant Period, we consider that many of these (just over **300,000** if this rate was sustained) were also likely to have been dropped by a Retention Agent. This is supported by CCT complaints to Ofcom, which demonstrate the prevalence of dropped calls throughout the Relevant Period (see from paragraph A2.36 below).[359]

(vi) The customers that were the subject of **27,500** instances of valid Churn Feedback during the Relevant Period experienced their disconnection not being processed by a Retention Agent when they requested this (for whatever reason, including the agent failing to key the disconnection, incorrect information being given to avoid a disconnection or otherwise avoiding the disconnection by, for example, transferring the customer).[360] We recognise that Churn Feedback applied to both 'Voice' and 'Messenger' Retention Agents, and that a small proportion of the 27,500 disconnections not being processed could have been due to a genuine process error by Retention Agents. However, we consider it likely that many of these instances related to Retention Agents deliberately avoiding processing disconnections, given the experiences reported in CCT complaints.

4.135 Further, we consider that:

(i) Many customers are likely to have experienced more than one Relevant Behaviour on a single call or were disincentivised from switching on multiple calls.

(ii) It is likely that some of the nearly **1.3 million** customers who successfully disconnected their service(s) at Tier 2 may have still been disincentivised from switching from having experienced the Relevant Behaviours as part of their cancellation journey at Tier 1 (if relevant) or Tier 2 before their disconnection was successfully logged at Tier 2.

[359] Initial Response to Fourth Information Request, 9 May 2025, Question (18), *'Short Calls July 2024 to 11th September 2024'*. There were 7,197 intradiem prompts during this period. Each prompt is triggered by an Agent having three Short Calls within the same day. This means there were at least 21,591 'Short Calls' between July 1 and September 11 of 2024 – i.e. a ten-week period. (For the purposes of the alert, 'Short Calls' also included outbound calls lasting less than 30 seconds, as Virgin Media was not able to distinguish between inbound and outbound calls as part of the alert.) The Relevant Period consisted of 140 weeks and so, assuming this rate of 'Short Calls' was sustained throughout the Relevant Period, this gives a total of at least 302,274. While this could include some outbound calls lasting less than 30 seconds, this does not include any agents who only had one or two Short Calls in the same day (given this would not trigger the intradiem prompt), so the actual total number of Short Calls during this period is likely to be much greater than 302,274.

[360] Initial Response to Fourth Information Request, 29 April 2025, Question (19), *'Updated Q1 data'.* Exact figure for valid feedback was 27,487, and this was out of a total of 93,158 Churn Feedback submissions during the Relevant Period. See footnote 87 in relation to the reasons why Churn Feedback may have been logged.

CCT complaints

4.136 The call volumes and outcomes identified above help illustrate the potential number of calls in which customers experienced the Relevant Behaviours and/or two-tier cancellation process. In the paragraphs below, we explain that at least 649 CCT complaints are direct and contemporaneous evidence of these procedures having an impact on consumer behaviour as a result of the Relevant Behaviours and/or the two-tier cancellation process.

4.137 As we set out above, taking into account our analysis of the call volumes and outcomes – as well as evidence of the Virgin Media's two-tier cancellation process and the Relevant Behaviours and how Virgin Media's procedures allowed and encouraged Retention Agents to use those behaviours – we have concluded that many more customers on millions of calls likely experienced the Relevant Behaviours and/or two-tier cancellation process. Our assessment of CCT complaints set out in the paragraphs below (and in Annex 2) is therefore not intended to provide a definitive assessment on the total number of customers affected but instead sets out our assessment of contemporaneous and direct evidence of consumer impact as a result of the Relevant Behaviours and/or the two-tier cancellation process.

4.138 We consider that these CCT complaints show that Virgin Media's procedures had an impact on customer behaviour by delaying a customer's ability to switch and, in some cases, preventing customers from switching entirely. Many complainants explicitly refer to being delayed or prevented from switching; in some cases, the impact was particularly significant where customers indicated they had been delayed or prevented from switching for weeks, months and, in some cases, potentially years. Even where CCT complaints did not explicitly refer to having been delayed or prevented from switching, our view is that any customer that complained to Ofcom was delayed or prevented from switching to such an extent that they considered it necessary to take the additional step of complaining to Ofcom.

4.139 Our analysis of these CCT complaints (and associated Virgin Media call recordings where relevant) is set out in full at Annex 2. We identified **649** CCT complaints where the customer experienced one or more of the Relevant Behaviours and/or the two-tier cancellation process and it was clear this was via the Voice method of contact (what we refer to as **'core'** complaints). We also identified **200** CCT complaints where the customer experienced one or more of the Relevant Behaviours and/or two-tier cancellation process but where it was not clear whether this was via the Voice method of contact or where the customer used the Voice method of contact but the precise nature of the barrier(s) they faced was unclear (what we refer to as **'secondary'** complaints).[361] Of these:[362]

(i) **344** 'core' complaints and **ten** 'secondary' complaints described having their call ended prematurely during a conversation with a Retention Agent, often after they had declined offers during a retention conversation or informed the Retention Agent that they wanted to cancel. Many said that they did not receive a call back from

[361] In relation to the 200 'Secondary' complaints: (i) 82 related to where customer experienced one or more of the Relevant Behaviours and/or two-tier cancellation process but where it was not clear whether this was via the Voice method of contact; and (ii) 110 related to where the customer used the Voice method of contact but the precise nature of the barrier(s) they faced was unclear

[362] Our methodology for the analysis of consumer complaints is set out in Annex 2 at paragraphs A2.5 to A2.8.

Virgin Media after their call was dropped and/or that they had to call back themselves and start the cancellation process again as a result.[363]

(ii) **134** 'core' complaints and **40** 'secondary' complaints described having contacted Virgin Media to cancel and having believed that they had successfully done so, only to continue to be billed and/or subsequently find out from Virgin Media that there was no record of a cancellation being logged.[364]

(iii) **143** 'core' complaints and **20** 'secondary' complaints described experiencing circumstances which we consider likely to amount to inappropriate retention activity (namely, with the Retention Agent continuing to make save attempts when the customer had made clear they want to cancel).[365]

(iv) **94** 'core' complaints and **one** 'secondary' complaint described having been put on hold or the conversation otherwise being paused by the Retention Agent (through silent time or mute), with many reporting that this was unexpected or unexplained, or that it happened for long periods or repeatedly.[366]

(v) **191** 'core' complaints and **22** 'secondary' complaints described having been transferred to what they considered to be the wrong department and/or transferred multiple times during one call, with many saying that they felt passed around (including being *"passed from pillar to post"*).[367] This included transfers which appear to be both within and outside of the two-tier cancellation process.

(vi) **121** 'core' complaints and **three** 'secondary' complaints described situations where they were transferred to 'cancellations' or 'retentions (or similar) and/or were put through to an agent who could not process their disconnection, which appears to be a reference to Virgin Media's two-tier cancellation process.[368]

4.140 As demonstrated by the numbers set out above for each category, many CCT complaints related to more than one of the Relevant Behaviours, or Relevant Behaviour(s) alongside the two-tier cancellation process in the same call.[369]

4.141 Our analysis of these CCT complaints demonstrates that many customers experienced particularly significant delays to their ability to cancel or were prevented from switching as a result. For example, **142** of the 'core' complaints and **51** 'secondary' complaints described

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[363] See paragraphs A2.36 to A2.41 of Annex 2, including CCT complaint examples 13, 14, 15 and 16 and case study 2.
[364] See paragraphs A2.42 to A2.44 of Annex 2, including CCT complaint examples 17, 18 and 19; and case study 3.
[365] See paragraphs A2.24 to A2.29 of Annex 2, including: CCT complaint examples 6, 7 and 8; and case study 1.
[366] See paragraphs A2.30 to A2.35 of Annex 2, including: CCT complaint examples 9, 10, 11 and 12. In particular, see paragraph A2.35 – a number of call recordings evidence customers (i) being placed on hold with no reason given; (ii) being placed on hold multiple times in one call; and/or (iii) being placed on hold for excessively long periods of time. For example, two call recordings evidence the customer being put on hold on six separate instances (with the longest hold being seven minutes long); and another customer in two call recordings was put on hold for over 30 minutes, without a clear reason as to why being given by the Retention Agent.
[367] See paragraphs A2.18 to A2.23 of Annex 2, including CCT complaint examples 3, 4 and 5; and call recording example 1.
[368] See paragraphs A2.15 to A2.17 of Annex 2, including CCT complaint examples 1 and 2.
[369] See paragraph A2.13 of Annex 2 and, for example, see CCT complaint examples 1, 3, 7 and 12 in Annex 2.

delays or being prevented from switching for by days, weeks or months or, in some cases, potentially years.[370] Further, the CCT complaints also illustrated customers having described:

(i) Giving up on cancelling with Virgin Media and choosing to cancel their direct debit directly with their bank (**36** 'core' complaints and **eight** 'secondary' complaints);[371] and

(ii) Giving up on cancelling altogether or being prevented from switching entirely (**28** 'core' complaints and **15** 'secondary' complaints).[372]

4.142 We note that, in approximately **67%** of the 'core' and 'secondary' complaints, the customer indicated that they had still not been able to successfully cancel their Virgin Media service(s) at the time they made their complaint to Ofcom,[373] and therefore the full impact of the barriers that those customers faced is not known. These CCT complaints nonetheless illustrate that, at that moment in time, these customers had not been able to successfully cancel and chose to make a complaint about difficulty cancelling suggesting that they had been delayed and/or prevented from doing so up until that point.

4.143 We consider that the CCT complaints provide direct evidence that the Relevant Behaviours and two-tier cancellation process acted as a disincentive to switch by delaying or preventing at least 649 customers from switching to another provider. We further consider the impact on consumer behaviour was material.

4.144 There are also a further 94 customers who made complaints to Ofcom's CCT about difficulty cancelling but which we have not included in our number of 'core' or 'secondary' complaints referred to above – this is because the precise nature of the issue in relation to difficulty cancelling was not clear and it was not clear which method of contact was used by the customer (what we refer to as 'additional' complaints). It is our view that many of these customers are likely to have experienced the Relevant Behaviours via the Voice method of contact and/or the two-tier cancellation process. In addition, it is view that there would have been significantly more customers who experienced the Relevant Behaviours and/or two-tier cancellation process when attempting to switch from Virgin Media but who did not make a complaint to Ofcom and therefore CCT complaints data is likely to reflect only a very small proportion of customers impacted.

Summary of our findings

4.145 For the reasons set out above, we have found that Virgin Media had the following procedures in place during the Relevant Period which (i) effectively created *"hoops that must be jumped through"*[374] causing customers unreasonable effort, hassle and/or undue difficulty when trying to change provider and (ii) individually and/or collectively acted as a disincentive for customers against switching to another provider in breach of GC C1.8:

[370] See paragraphs A2.51 to A2.57 of Annex 2, including CCT complaint examples 20, 21, 22 and 23 and case study 4.

[371] See paragraphs A2.58 to A2.60 of Annex 2, including: CCT complaint examples 24 and 25.

[372] See paragraphs A2.61 to A2.64 of Annex 2, including CCT complaint examples 26, 27 and 28.

[373] See paragraph A2.46 of Annex 2.

[374] The CAT Judgment, paragraph 74.

(i) Procedures and processes which involved or resulted in Retention Agents engaging in the Relevant Behaviours; and

(ii) Virgin Media's two-tier cancellation process.

4.146 In relation to the Relevant Behaviours, our analysis of CCT complaints (and associated Virgin Media call recordings where relevant) demonstrates that customers were experiencing the Relevant Behaviours at scale during the Relevant Period. We have determined that Virgin Media allowed and encouraged the use of the Relevant Behaviours during the Relevant Period for the following reasons which we consider amount to procedures:

(i) Virgin Media implemented a **commission scheme** which effectively encouraged and financially rewarded Retention Agents for retaining customers by engaging in the Relevant Behaviours. In particular:

(a) Tier 1 Retention Agents were expected to transfer a low percentage of customers to Tier 2, while Tier 2 Retention Agents were set high targets to retain customers (which meant they had to retain 60 to 66% of customers by other means than re-contracting or transferring customers to other teams).[375] Retention Agents were set to gain considerably for exceeding these targets. However, they risked losing their commission altogether for missing them by a marginal amount.

(b) There were limited and insufficient guardrails in place to reduce or remove commission in relation to the use of the Relevant Behaviours to help achieve those targets. While there were penalty factors which allowed commission to be reduced or even removed, these applied only in limited circumstances (for example, in the event of valid Churn Feedback).

(ii) Virgin Media's **training and guidance** was insufficient and/or ineffective in terms of its scope, content and/or implementation to the extent it failed to prevent customers from being subject to the Relevant Behaviours. In particular:

(a) Virgin Media's mandatory training failed to set clear behavioural expectations for Retention Agents and did not instruct against Retention Agents engaging in Relevant Behaviours. While Virgin Media provided mandatory training in relation to processing disconnections on ICOMS which was relevant to the Relevant Behaviour relating to failing to process disconnections, our conclusion is that this was not being followed in practice.

(b) Some of the Rocket Science modules missed key aspects of the Relevant Behaviours (for example, they did not provide guidance against the excessive or repeated use of hold, nor did they reference the deliberate dropping of calls or contain an explicit or clear instruction against doing so). Whilst there was guidance on some aspects of the Relevant Behaviours, these modules were 'self-serve' and voluntary, we consider that they were not in any event being followed in practice.

[375] See paragraph 4.12 – Tier 2 Retention Agents had targets to re-contract around 25% of customers and to retain between 85 to 91% of customers.

(iii) The **quality assurance and monitoring processes** Virgin Media had in place during the Relevant Period were insufficient and/or ineffective in terms of their scope and/or implementation to the extent they failed to prevent, identify effectively and/or address the Relevant Behaviours. In particular:

(a) Virgin Media adopted a highly selective and narrow approach to the type of behaviour it monitored under the Compliance Framework (for example, for transfers and dropped calls, there was no direct read-across between the behavioural guidance set in Rocket Science and the attributes within its Compliance Framework). In addition, while the Compliance Framework contained an attribute for 'Hold', this did not capture whether hold was used *"where absolutely necessary"* as advised in Rocket Science or whether the use of hold was excessive (including for extended or long periods of time) and/or repetitive, in each case where it was not necessary and/or was being used to delay or avoid a disconnection.

(b) Even in the (often limited) cases where non-compliance or poor behaviour was identified, limited follow-up action was taken. In relation to informal action, this often consisted of feedback and/or coaching being given to Retention Agents based on the contents of the appropriate Rocket Science module and/or them being directed to read the relevant module. Even taking account of reasons why some records may have existed but are no longer available and the fact that some instances of informal action may not have ever been recorded, we consider the evidence of informal action provided to be particularly low when compared with the data that Virgin Media provided on failed attributes. Similarly, we also consider that the total of ten records of formal action that Virgin Media provided fall far short of the number that might have been expected given the volume of repeated fails of relevant attributes (even recognising that many cases may not have progressed to formal action).

(c) Beyond the Compliance Framework, other areas of monitoring were not designed, implemented or applied in a way that would effectively identify and/or prevent the Relevant Behaviours.

(iv) Virgin Media had insufficient **control, visibility and/or oversight over the third-party partners** it entrusted to operate its call centre and quality monitoring functions. In particular:

(a) Virgin Media provided limited written guidance to its third-party quality assurance partner, [Partner C], on how to identify some aspects of the Relevant Behaviours, none of which was formally incorporated into the Compliance Framework itself.

(b) Virgin Media also allowed [Partner A] (its largest third-party call centre partner) to make substantive changes to its performance management processes that were inconsistent with Virgin Media's own processes and without informing Virgin Media. It further failed to implement any clear or consistent data retention policy requiring either [Partner B] or [Partner A] partners to record evidence of informal or formal action which significantly limited the ability of Virgin Media to monitor whether and how appropriate informal and formal action was being taken in practice.

4.147 In relation to Virgin Media's **two-tier cancellation process**, we have found that this procedure meant that customers who had clearly expressed their intention to cancel to a Tier 1 Retention Agent faced the inherent obstacle of being transferred to a Tier 2 Retention Agent, repeating a very similar process, in order to stand a chance of progressing their cancellation request. We have also found that Virgin Media financially incentivised Tier 1 Retention Agents to transfer an arbitrarily low proportion of customers to Tier 2 meaning customers who had clearly expressed their intention to cancel were not transferred to Tier 2 or may have faced additional obstacles in being transferred. In doing so, Virgin Media reinforced and exacerbated the obstacles put in place by its two-tier cancellation process, particularly as it did not monitor whether or not customers should have been transferred from Tier 1 to Tier 2.

4.148 We have found that the Relevant Behaviours and Virgin Media's two-tier cancellation process were a systematic issue across Virgin Media's entire cancellation process for customers calling to cancel and undermined the fundamental purpose of GC C1.8.

4.149 For all the reasons set out above, we have concluded that on the balance of probabilities, the Relevant Behaviours and Virgin Media's two-tier cancellation process caused customers on millions of calls unreasonable effort, hassle and/or undue difficulty when trying to cancel. We have found that these procedures individually and/or collectively had an impact on consumer behaviour and likely acted as a disincentive to switch for customers on millions of calls – and there is direct and contemporaneous evidence in complaints that these procedures did, in fact, act as a disincentive to switch for at least 649 customers – by delaying or preventing them from taking advantage of a competitor's offer. We have therefore determined that Virgin Media had procedures in place during the Relevant Period which acted as a disincentive for customers against switching to another provider in breach of GC C1.8.

5. Financial penalty

Summary

5.1 In this section, we set out our consideration of whether it would be appropriate to impose a financial penalty on Virgin Media and, if so, what level of penalty would be appropriate and proportionate.

5.2 In doing so, we have taken into account the relevant factors identified in our Penalty Guidelines (including the seriousness of our finding that Virgin Media breached GC C1.8)[376] and, as an overarching consideration, the need to impose a penalty which fulfils Ofcom's central objective of deterring non-compliance with regulatory obligations.

5.3 For the reasons set out below, Ofcom's conclusion is that Virgin Media's contravention of GC C1.8 is a serious breach, and that it is appropriate and proportionate to impose a penalty of £28 million. This penalty includes a 30% discount on the penalty figure of £40 million which we would have otherwise imposed, which reflects the resource savings achieved by Ofcom as a result of Virgin Media's admission of liability and its completion of Ofcom's settlement process.

Consideration of whether to impose a penalty

5.4 Ofcom's principal duty in carrying out its functions is to further the interests of citizens and consumers in relevant markets. GC C1.8 is an important provision which provides consumers buying communications services a high level of protection.

5.5 The good practice set out in Ofcom's GC C1.8 guidance states that agents should be able to recognise when a customer wishes to cancel without having a retention conversation and, in those circumstances, agents should promptly process the request. It says that providers should have in place monitoring and quality assurance processes that ensure that their conditions or procedures do not act as disincentives to switching and that, where agents fall short of expected behaviours, they are subject to an appropriate disciplinary process. The guidance also notes that procedures should be in place to ensure that incentive schemes do not encourage poor agent behaviour that constitutes or otherwise gives rise to a disincentive for the customer to switch.[377]

5.6 We have found that Virgin Media's failure to comply with the provision has compromised the protection that should have been afforded to its customers and fundamentally undermined the objective of the measure (namely, to empower consumers to obtain maximum benefits from a competitive market).

5.7 We consider this to be a serious breach of our consumer protection rules, particularly given the various aggravating factors we discuss below. We consider that the imposition of a penalty is appropriate and proportionate to the seriousness of the breach we have found and to deter Virgin Media and other businesses from contravening regulatory requirements.

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[376] Ofcom, Penalty Guidelines, 14 September 2017.
[377] See Section 3 – Regulatory framework.

Penalty amount

5.8 In considering the level of penalty which should be imposed, Ofcom has had regard to all the evidence and the penalty factors set out in Ofcom's Penalty Guidelines.[378] We discuss the factors we consider to be relevant in more detail below.

5.9 The level of the penalty must be sufficient, considering the turnover of the regulated body, to have a material impact and incentivise compliance, preventing future contraventions. Regulated bodies with a large turnover may face higher penalties to achieve a deterrent effect. We will impose a penalty which is appropriate and proportionate taking into account all the circumstances of the case in the round, keeping in mind the central objective of deterrence.

5.10 As set out in our Penalty Guidelines, Ofcom will have regard to the size and turnover of the regulated body when considering the deterrent effect of any penalty.[379] We note that the turnover of Virgin Media's relevant business for the period 1 April 2025 to 31 March 2026 was up to [✂].[380] This figure is a factor when considering whether the penalty is at the appropriate level to deter Virgin Media from future contraventions of GC C1.8 and its regulatory obligations more generally.

Seriousness

5.11 For the reasons set out above, we consider GC C1.8 to be an important consumer protection, designed to ensure that customers can benefit from the offers available to them. As set out in Section 4, we have found that Virgin Media contravened GC C1.8 and that its procedures, individually and/or collectively, led to customers being disincentivised against switching to another provider. We have found that this took place from 1 January 2022 until 11 September 2024 inclusive – a period more than two and a half years.

5.12 The start date of the Relevant Period takes into account the impact that the Covid-19 pandemic had on the provision of customer service generally. The end of the Relevant Period – the day before the (revised) implementation date for OTS – recognises the, in part, removal of the need for customers to call Virgin Media to effect a switch to a service on another network.

5.13 Despite Ofcom repeatedly raising concerns over many months, and CCT complaints continuing throughout the Relevant Period, we have found that Virgin Media did not take sufficient steps to address the issues or reduce the likelihood of harm to customers from the operation of its processes and procedures for cancellation. We discuss factors relevant to the seriousness of the contravention we have found in more detail below.

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[378] Ofcom, Penalty Guidelines, 14 September 2017.

[379] Ofcom, Penalty Guidelines, 14 September 2017, paragraph 1.11.

[380] Provided in email from Virgin Media to Ofcom, 24 June 2026. Full figure provided was [✂], which we have rounded to the nearest million. We note that the financial statements from which this figure has been generated are currently in draft form and will not be signed off formally until later in the year. We also note that the actual figure may be slightly less than this on the basis some of the products or services provided by Virgin Media may not strictly fall within the relevant definition in Section 97 of the Communications Act 2003.

Degree of harm

5.14 As explained in Section 4, we have concluded that the Relevant Behaviours and Virgin Media's two-tier cancellation process effectively created *"hoops that must be jumped through",*[381] causing customers on millions of calls unreasonable effort, hassle and/or undue difficulty when trying to cancel. While it is not possible to quantify the exact number of callers who were affected, we have found that these procedures likely acted as a disincentive to switch for customers on millions of calls – and there is direct and contemporaneous evidence in complaints that these procedures did, in fact, act as a disincentive to switch for at least 649 customers – by delaying or preventing them from taking advantage of a competitor's offer. In particular, and as set out above in more detail at paragraphs 4.134 to 4.135 in Section 4, we have found that:

(i) Customers on over 1.2 million calls which were transferred from Tier 1 to Tier 2 during the Relevant Period faced the inherent obstacle of being passed between Retention Agents in order to progress their cancellation. It is also likely that many of these customers were subject to one or more Relevant Behaviours with either or both of these Retention Agents.

(ii) Many of the 1.7 million callers who were transferred to a department outside of Virgin Media's Retention Team were likely to have been transferred unnecessarily.

(iii) Many of the customers on 5.6 million calls who ended their call within Tier 1 or Tier 2 without a clear action (such as re-contracting or being transferred to another department) being logged were likely to have experienced Relevant Behaviours.

(iv) Many of the customers on 2.3 million calls who were either transferred more than once during their call or who made another call to Virgin Media within the next seven days, were likely to have experienced one or more of the Relevant Behaviours. While we acknowledge that it is possible that there could have been legitimate reasons for having been transferred more than once in a single call and that some customers could have called back having considered offers made previously, it is our view that many of these either related to (i) unnecessary transfers or (ii) call backs as a result of a customer experiencing a dropped call or having experienced another Relevant Behaviour(s).

(v) Many of the customers on 21,000 Short Calls over a 10-week period during the Relevant Period were likely to have been subject to an agent-derived Short Call. If similar levels of Short Calls occurred during the rest of the 140-week Relevant Period, we consider that many of these (of the just over 300,000 assuming this rate was sustained) were also likely to have been dropped by a Retention Agent.

(vi) The customers that were the subject of 27,500 instances of valid Churn Feedback during the Relevant Period experienced their disconnection request not being processed by a Retention Agent (for any reason – see footnote 87) when it should have been. We recognise that Churn Feedback applied to both 'Voice' and 'Messenger' Retention Agents, and that it was only one type of feedback available in the AFTER tool (whereby agents could also report other agents for behaviours such as misapplying credits). We also recognise a proportion of the 27,500 could have been

[381] The CAT Judgment, paragraph 74.

disconnections not being processed as a result of genuine process errors by Retention Agents. However, we consider it likely that many of these instances related to Retention Agents deliberately not processing disconnections, given the experiences reported in CCT complaints.

(vii) It is likely that some of the nearly 1.3 million customers who successfully disconnected their service(s) at Tier 2 may have still been disincentivised from switching from having experienced the Relevant Behaviours as part of their cancellation journey at Tier 1 (if relevant) or Tier 2 before their disconnection was successfully logged at Tier 2.

5.15 It is difficult to make a precise assessment of the exact number of customers who have been affected by Virgin Media's failure to comply with GC C1.8. This is partly because of:

(i) the range of ways in which customers could be affected (for example, some customers may have experienced the two-tier cancellation process and/or one or more Relevant Behaviours on the same call); and

(ii) the likelihood of customers making repeat calls as a result of not being able to cancel in earlier attempts.

5.16 This means that the total number of customers and calls on which customers are likely to have been harmed will therefore be lower than the total number of calls identified in paragraphs 5.14(i) to (vi) above. Some customers are, however, likely to have experienced more harm than others. For example, customers that experienced the two-tier cancellation process and/or one or more Relevant Behaviours on a single call, or who called repeatedly in order to try and cancel, are likely to have experienced more harm than a customer that experienced the two-tier cancellation process or one Relevant Behaviour and only had to call once.

5.17 Overall, our conclusion is that customers on millions of calls are likely to have suffered actual harm – and there is direct and contemporaneous evidence in CCT complaints that at least 649 customers suffered actual harm – as a result of being disincentivised from switching (in accordance with our findings set out in Section 4 above).

5.18 We have found that this harm took a number of forms, including:

(i) **Financial loss or harm**: Customers may have suffered financial loss or harm due to being delayed or, in some cases, prevented from cancelling as a result of being subject to the Relevant Behaviour(s) and/or two-tier cancellation process. Our analysis of CCT complaints (and associated Virgin Media call recordings where relevant) revealed that some customers continued to pay for a service they no longer wanted or which no longer met their needs.[382] In total, we identified 142 'core' complaints and 51 'secondary' complaints which described a delay or being prevented from switching by days, weeks, months and, in some cases, potentially years.[383] For example, one customer had *"been trying to cancel for about a year".*[384] Other customers described delays amounting to months. For example, one customer

[382] See paragraphs A2.67 to A2.68 of Annex 2.
[383] See paragraphs A2.51 to A2.57 of Annex 2, including CCT complaint examples 20, 21, 22 and 23 and case study 4.
[384] See CCT complaint example 22 at paragraph A2.56 in Annex 2.

who made their complaint in April 2023 had requested cancellation in January 2023 (as their out of commitment period bill had risen to £75 a month) and had switched to another provider – the customer, *"some weeks later"*, discovered that Virgin Media had not processed their cancellation and were charging the customer a *"further £150"*.[385] Another customer was offered a refund for over £300 for payments *"they shouldn't have had to pay"* as Virgin Media had failed to process a disconnection which had been requested five months prior.[386] A further customer, who gave their cancellation notice in June 2024, said that they were informed that there was *"no record of the notice"* in their notes when they contacted Virgin Media again the next month.[387]

(ii) Other financial loss or harm reported by customers included:

(a) Customers incurring additional fees or suffering a negative impact to their credit score, where they had cancelled their direct debit or otherwise ceased payments after being unable to cancel directly with Virgin Media.[388] For example, one customer said that they experienced the following when they called Virgin Media to check their contract had been cancelled: "*The lady then became aggressive challenging me why I hadn't asked for a better deal, she then hung up on me and proceeded NOT to cancel my account as requested which meant they kept charging me monthly when I already had another provider".* The customer said they then contacted Virgin Media through two other contact methods without success, and said Virgin Media subsequently *"sold* [their] "*debt" to [✄] …and every month they log a "missed payment" s*[389]. Another customer, whose partner *"called twice and spent hours being passed between departments until they hung up on her"* and then wrote to Virgin Media instructing them to end their contract (after they *"refused to go through the same thing again"* via phone, said that they had three debt recovery companies pursuing them and had their credit file damaged[390].[391]

(b) Customers reported taking up a service or service(s) with a competitor and being unable to cancel Virgin Media, in which case they may have been paying for two sets of services at one time (for example, one customer reported they had switched to another provider and had been trying to close their account with Virgin Media for three or four months, and therefore had *"been paying two providers as if I were to cancel the direct debit to VM they would put me in arrears on my credit file"*.[392]

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[385] See CCT complaint example 21 at paragraph A2.55 of Annex 2.
[386] See case study 4 at paragraph A2.53 of Annex 2.
[387] CCT reference CCT-183, 28 August 2024.
[388] See paragraphs A2.69 to A2.70 on Annex 2, including CCT complaint examples 34 and 35.
[389] See CCT complaint example 34 at paragraph A2.69 of Annex 2.

[391] See CCT complaint example 35 at paragraph A2.70 of Annex 2.
[392] See CCT complaint example 18 at paragraph A2.43 in Annex 2.

In our view, it is likely that such financial loss or harm affected customers even more acutely in the context of the sharp increases in the cost of living in the UK during 2021 and 2022 and the financial pressures on households that have continued since.

(iii) **Inconvenience and frustration, stress and/or increased anxiety**: CCT complaints illustrate that customers were inconvenienced as a result of experiencing Virgin Media's two-tier cancellation and/or the Relevant Behaviours, including as a result of losing a significant amount of time when trying to cancel their services.[393] Our analysis also indicated that many customers experienced stress, inconvenience and frustration as a result when trying to cancel,[394] whether this was repeatedly during the same call or in multiple calls. While this type of harm is difficult to quantify, it can have a significant impact on an individual's mental health (in particular for customers whose circumstances may make them vulnerable – see below) and this is demonstrated by the CCT complaints.[395] For example, some customers expressed how stressful Virgin Media's cancellation process had been, with one customer stating *"…it is probably one of the most irritating and stressful experiences I have ever had to deal* [with]".[396]

(iv) **Customers whose circumstances may make them vulnerable (including disabled customers)**: Virgin Media's procedures are likely to have had a particularly significant impact on customers whose circumstances may make them vulnerable (including disabled customers), and who are more likely to have struggled with the additional barriers that were put in place, adversely impacting on equality of opportunity for those customers. These customers may therefore have been exposed to more significant delays or more at risk of being prevented from switching and may have been more likely to have suffered financial loss or harm as a result. Virgin Media's procedures may have had a particularly significant impact where these customers did not have the same level of financial resources as other customers. Our analysis of CCT complaints revealed that some customers had felt that the stress they were subjected to during the cancellation process had worsened existing health or mental health conditions.[397] For example, one customer, who suffered with depression and anxiety, expressed how their experience of Virgin Media's cancellation process led to them *"sobbing with frustration and anxiety"*.[398]

5.19 As well as actual harm, we have taken into account that most Virgin Media customers were likely to have reached their contract commitment period at least once during the Relevant Period (commitment periods of over 24 months for fixed line and/or broadband contracts (including bundles) are not permitted under GC C1.11). We have therefore found that any customer calling Virgin Media to cancel during the Relevant Period was exposed to potential harm as a result of the Relevant Behaviours and Virgin Media's two-tier cancellation process. This is because we have found that the Relevant Behaviours and Virgin Media's two-tier cancellation process were a systemic issue across Virgin Media's entire cancellation process

[393] For example, many said they spent hours on the phone – see CCT complaint example 2 at paragraph A2.16, call recording example 1 at paragraph A2.22 and CCT complaint example 35 at paragraph A2.70 of Annex 2.
[394] See paragraphs A2.71 to A2.72 of Annex 2, including CCT complaint examples 36, 37, 38 and 39.
[395] See paragraphs A2.71 to A2.75 of Annex 2, including CCT complaint examples 39, 40 and 41.
[396] CCT complaint example 37 at paragraph A2.72 of Annex 2.
[397] See paragraphs A2.73 to A2.75 of Annex 2, including CCT complaints 40 and 41.
[398] CCT complaint 41 at paragraph A2.74 of Annex 2.

for customers calling to cancel and undermined the fundamental purpose of GC C1.8. In that context, we note that Virgin Media's Retention Agents handled over **12 million** calls during the Relevant Period. While we recognise that some customers may have called Virgin Media's Retention Team with no intention of cancelling, the main reason customers called the team was to make a *"disconnection request"*.[399]

5.20 For the reasons set out above, we have concluded that customers on millions of calls were subject to actual or potential harm as a result of the Relevant Behaviours and two-tier cancellation process. Depending on their circumstances and experiences during calls, different customers would have experienced different levels of harm. While some customers may have experienced inconvenience, some customers are also likely to have missed out on saving hundreds of pounds by switching to another provider and/or suffered knock-on impacts to their financial circumstances, creditworthiness and/or mental health. Overall, we consider the degree of harm resulting from the Relevant Behaviours and the two-tier system to be significant.

Potential harm to competition

5.21 We have found that Virgin Media's contravention of GC C1.8 had the potential to cause competitive harm. It is well understood that effective switching mechanisms between providers are integral to ensuring that markets function well and that any feature that reduces customers' ability to change provider will impact the competitive pressure within the market. Ofcom has implemented a range of protections to ensure that customers are able to find the best deal for their needs, including the requirement under GC C1.21-29 (namely, that providers send end-of-contract notifications to customers when their minimum contract period is coming to an end) to encourage them to engage and support competition.

5.22 As explained above, customers who were disincentivised from switching faced, at best, delays in taking advantage of different competitive offers with other providers and/or deals or packages which may have better suited their needs and, at worst, were prevented from being able to take advantage of them at all. This means that, in many cases, Virgin Media likely retained customers by making it harder for them to leave rather than by fairly competing to win their custom. As well as harming individual customers, we have found that Virgin Media's procedures also had the potential to harm competition and investment by competing networks to the extent Virgin Media's procedures prevented other networks from legitimately winning new customers.

Financial gain

5.23 Our Penalty Guidelines explain that the level of the penalty should ensure that Virgin Media's senior management recognises that it is not more profitable for it to break the law and pay the consequences, than to comply with it in the first place.[400] We have taken this into account when considering what is an appropriate and proportionate penalty in this case.

5.24 We have found that Virgin Media's contravention of GC C1.8 likely resulted in substantial financial gain for Virgin Media.

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[399] Initial Response to Fourth Information Request, 29 April 2025, Question (1), *'Retentions Team Disconnection Barriers Insight Jan 2024 - March 2025'*.
[400] Ofcom, Penalty Guidelines, 14 September 2017, paragraph 1.5.

5.25 As explained above, our analysis of CCT complaints and associated Virgin Media call recordings revealed that many customers continued to pay for a service they no longer wanted, or which no longer met their needs (in some cases, for weeks, months and potentially years) due to not being able to cancel.[401] Given our estimates of the number of customers and calls involved (see paragraph 5.14 above), we consider that Virgin Media's use of the Relevant Behaviours and the two-tier cancellation process is likely to have resulted in a significant financial gain in the millions of pounds. The amount of the gain would have varied by customer but, for some customers, is likely to have been significant and in the hundreds of pounds.

5.26 As explained in paragraph 5.56 to 5.57 below, Virgin Media advised that it has resolved both complaints that were made to it directly and CCT complaints about difficulty cancelling (where the customer agreed to the sharing of their personal details with Virgin Media). We also understand that Virgin Media may have offered some resolution (and, in some cases, it appears that this may have included redress in the form of credit) where poor Retention Agent behaviour was identified following ACE customer surveys – at least some of these instances appear to be in response to the use of the Relevant Behaviours.[402] We require Virgin Media to take steps to confirm to Ofcom that complainants affected by the contravention received appropriate redress (see Section 6).

5.27 We do, however, recognise that it is likely to be difficult for Virgin Media to offer redress to customers who may have been disincentivised from switching but who did not make a complaint. We have taken this into account when considering the amount that it has gained from the contravention.

Steps taken to prevent the contravention

5.28 We have found that Virgin Media took insufficient and/or ineffective steps to prevent the contravention.

5.29 We consider that Virgin Media had multiple opportunities (at least from when Ofcom first raised concerns with it in February 2021) to identify and prevent the effect of the operation of its two-tier cancellation process and the Relevant Behaviours by amending its procedures or implementing new ones. We have identified and explained the various gaps and limitations in those procedures in Section 4. In this section, we provide a summary of those procedures (including relevant changes Virgin Media made or new procedures it introduced) and why we consider that those procedures were insufficient and/or ineffective in preventing customers from being disincentivised from switching during the Relevant Period.

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[401] In total, 142 'Core' and 51 'Secondary' complaints described a delay of over a day to cancel. In many cases, this resulted in financial harm as a result of customers being prevented from switching to a package that may have better suited to their needs or circumstances, and/or continuing to pay for Virgin Media service(s) they no longer wanted. See paragraphs A2.51 to A2.57 of Annex 2, including CCT complaint examples 20, 21, 22 and 23; and case study 4 in Annex 2.

[402] Follow-up Response to Fourth Information Request, 9 May 2025, Question (13)(b), '*Annex 13(b)*'. This process was initially trialled in Q1 2023, started in July 2023 and was temporarily paused between September and November 2023.

Virgin Media's commission scheme

5.30 As explained in Section 4,[403] we consider that the way that Virgin Media operated its commission scheme meant that it effectively encouraged and financially rewarded Retention Agents for saving customers through the operation of the two-tier cancellation process and engaging in the Relevant Behaviours. Although changes were implemented during the Relevant Period, we have found that those likely to have had a positive effect were made too late to have had any meaningful impact.

5.31 We recognise that there were some guardrails in place for the commission scheme that were, in some cases, likely to have reduced the risk of some Relevant Behaviours being used to attain commission.[404] For example, commission could be reduced if:

(i) A Retention Agent did not meet targets for FTR (the proportion of calls where the customer called back within 7 days or were transferred multiple times within one call).

(ii) A Retention Agent received Churn Feedback (which relied on one agent reporting on another for not putting a cancellation through on a previous call for any reason – see footnote 87 – when they should have done). There were 27,500 instances of this during the Relevant Period where Team Managers had validated such feedback and where commission should have been reduced by 5% per 'valid' instance.

5.32 However, FTR targets were set at levels that meant that commission would only be affected if the circumstances in (i) above happened in at least 25 to 32% of a Retention Agent's calls (it appears that this may have happened in some instances – Virgin Media briefed agents that dropped calls were causing missed target FTR rates in its briefing to agents in January 2024).[405] In relation to Churn Feedback, there were a further 65,000 instances where Retention Agents had been reported but commission was unaffected, because these had been marked as invalid.[406] Even taking account reasons for invalid markings (including that around 20% were due to inaccurate or incomplete information provided by the reporting agent), this number is very high. There was also no routine monitoring or auditing of markings applied.

5.33 Virgin Media made a number of changes to its commission scheme. For example:

(i) In August 2023 and January 2024, it reduced the weighting given to the proportion of calls that Tier 1 Retention Agents transferred to Tier 2 ('Churn') for the purposes of calculating commission for Tier 1 Retention Agents.[407] These changes appeared to be made in response to a recommendation following a review of repeat calls in March 2023. This review also recommended the implementation of a commission scheme which *"drives the correct behaviours"* and noted that using FTR as an accelerator would help achieve this, although we understand that this change was not made until

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[403] Our findings with respect to Virgin Media's commission scheme are set out from paragraph 4.8.
[404] See, in particular, paragraphs 4.14 to 4.19.
[405] See paragraph 4.110 (in relation to the briefing).
[406] As set out at paragraph 4.122(ii), Virgin Media provided reasons as to why a high number of Churn Feedback submissions were marked 'invalid'. Churn Feedback applied to both 'Voice' and 'Messenger' Retention Agents.
[407] See paragraph 4.17. Virgin Media reduced the weighting applied to Churn for Tier 1 Retention Agents twice during the Relevant Period (in August 2023 from 50% to 40% and again in January 2024 from 40% to 30%).

over a year later (see below).[408] The weighting that applied to the 'Churn' metric fluctuated during the Relevant Period and we recognise that there were other times during the Relevant Period where Virgin Media reduced the weighting for 'Churn' with respect to Tier 1, as well as Tier 2 Retention Agents (see paragraphs 4.11 and 4.17 above).

(ii) On 1 September 2024 (i.e. less than two weeks before the end of the Relevant Period), Virgin Media made a number of changes to its commission scheme,[409] including removing the 'Churn' category as a commissionable target. Virgin Media explained: *"This decision was made to de-emphasise outcomes focused solely on disconnection prevention and to shift focus toward positive, measurable customer engagement actions"*. It also made a change to the 'Revenue' target so that it only considered calls where a re-contract was completed, such that *"calls resulting in no account changes (i.e., maintaining status quo) were* [no longer] *rewarded as 100% revenue retained"*. In addition, Virgin Media applied accelerators for *"exceptional performance, such as exceeding conversion or FTR thresholds"* and applied decelerators for *"compliance breaches"* and failures to meet quality assurance thresholds.[410]

5.34 We consider the change to the weighting of the 'Churn' target at (i) above to be limited in impact particularly given no significant changes were made to the underlying 'Churn' target applied to transfers from Tier 1 to Tier 2, nor were there any significant changes made to equivalent 'Churn' target or associated weighting for Tier 2 Retention Agents. While we consider that some of the changes made on 1 September 2024 at (ii) above could have helped prevent Relevant Behaviours, these were implemented too late during the Relevant Period to have had any meaningful impact.

5.35 We also note that Virgin Media appears to acknowledge the potential impact of its commission scheme for the majority of the Relevant Period in the explanation it provided for some of the changes it made on 1 September 2024. It stated it *"ensures that commission is only earned for calls where the agent actively secures a recontract, eliminating any reward for inaction or passivity on the call"* and *"prevents any unintentional incentive to avoid booking disconnections"*.[411] Our view is that Virgin Media either failed to identify this potential impact earlier or did identify it earlier but failed to make appropriate changes to its commission scheme.

Training and coaching materials

5.36 We recognise that Virgin Media had training and guidance in place for Retention Agents relating to aspects of the Relevant Behaviours (as set out in Section 4) and made changes to some of those materials during the Relevant Period.[412] For example:

(i) Virgin Media provided mandatory training which covered the procedural steps and processes Retention Agents were expected to follow[413] – it explained that this

[408] See paragraph 4.23 to 4.25.
[409] See paragraph 4.24 and 4.25.
[410] Initial Response to Fourth Information Request, 29 April 2025, Question (1)(e).
[411] Initial Response to Fourth Information Request, 29 April 2025, Question (1)(e).
[412] Our findings with respect to Virgin Media's training and guidance are set out from paragraph 4.26.
[413] See paragraph 4.30 to 4.32 for our findings on Virgin Media's mandatory training.

training focused on teaching agents how to handle customer calls appropriately, rather than focusing on behaviours to avoid.[414]

(ii) Virgin Media had provided voluntary guidance in the form of self-serve Rocket Science modules,[415] which it said were designed to "*reinforce behavioural expectations or provide practical tips".* It also explained that two of these modules (the 'Hold' and 'Dropped Calls' modules) specifically related to behaviours that were discouraged.[416] During the Relevant Period, Virgin Media introduced two relevant Rocket Science modules – a module on 'First Time Resolution' in March 2022 and one on 'Appropriate Retain Conversations' in July 2022.

5.37 However, we have found that this training and guidance was insufficient and/or ineffective in terms of its scope, content and/or implementation to the extent it failed to prevent customers from being subject to the Relevant Behaviours. In particular, the mandatory training did not set clear behavioural expectations or instruct against the use of the Relevant Behaviours and some of the voluntary Rocket Science modules missed key aspects of the Relevant Behaviours. The modules (including those introduced during the Relevant Period) included some relevant guidance, although our view is that Rocket Science modules were often not being followed in practice.

5.38 Virgin Media at times issued internal reminders or updated instructions to Retention Agents about issues related to certain Relevant Behaviours but did not change mandatory training or voluntary guidance to take account of them. For example:

(i) In January 2024, it issued an internal reminder about the Rocket Science module on dropped calls, noting there had been comments in ACE customer surveys and complaints about calls dropping which was having a negative impact on FTR.[417]

(ii) In February and May 2024, it issued internal reminders about when to transfer customers to Collections, noting customers were being unnecessarily transferred to the department, identified as a root cause of repeat calls.[418]

(iii) In June 2024, it informed Retention Agents about changes (in the form of additional questions) to its 'Movers and Retentions Call Handling' process to *"improve customer experience and prevent transfers between departments"*.[419]

5.39 Overall, we consider the steps Virgin Media took during the Relevant Period in relation to its training and guidance were limited and were not (or not sufficiently) targeted at the Relevant Behaviours to have had any meaningful impact on preventing their use.

Quality assurance and monitoring

5.40 We recognise that Virgin Media had a process for monitoring calls against criteria (i.e. attributes) in its Compliance Framework, some of which considered aspects of the Relevant Behaviours.[420]

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[414] Initial Response to Fourth Information Request, 29 April 2025, Question (5).
[415] See paragraph 4.33 to 4.38 for our findings on Virgin Media's Rocket Science modules.
[416] Initial Response to Fourth Information Request, 29 April 2025, Question (5).
[417] See paragraph 4.110.
[418] See paragraph 4.87(i).
[419] See paragraph 4.87(ii).
[420] Our findings with respect to quality assurance and monitoring are set out from paragraph 4.42.

5.41 The Compliance Framework included criteria relevant to (i) processing a disconnection without barriers ('Switching' attribute), (ii) the appropriate logging of disconnections ('Accuracy of Work Order' and 'Account Notes' attributes), and (iii) the use of hold ('Hold' attribute). However, we have determined that Virgin Media took a highly selective and narrow approach to the type of behaviour it monitored under its Compliance Framework and that the criteria used to assess calls did not always mirror or align with the behavioural guidance set out in Rocket Science modules.[421] In particular:

(i) There was no dedicated attribute for dropped calls. While Virgin Media explained that the attributes most closely related to the 'Dropped Calls' Rocket Science module were the 'Switching', 'Complaint Handling' and 'Account Notes' attributes, the descriptions for these attributes do not mention dropped calls and Virgin Media did not otherwise provide any written guidance on how and when to identify deliberately dropped calls under its Compliance Framework.[422]

(ii) There was no attribute on transfers, including to identify when a call should have been transferred from the Retention Team to another department (e.g. Collections, Movers or Customer Service) or from Tier 1 to Tier 2.[423]

(iii) While there was an attribute for hold (which [Partner C] identified as failed in 23% of evaluations), the criteria for this only related to whether a Retention Agent had warned the customer that they were being put on hold and if they had regularly updated them, not whether there had been excessive and/or repeated use of hold.[424]

5.42 We recognise that the Compliance Framework had brief descriptions of how to mark a call as being compliant or non-compliant with an attribute and Virgin Media provided some verbal guidance to [Partner C] on how to apply certain assessment criteria in its regular 'calibration' sessions and the outcomes were recorded in meeting notes of these sessions. However, although these sessions provided some clarifications in relation to relevant attributes, none were in the context of the Relevant Behaviours.[425]

5.43 We also recognise that Virgin Media introduced a formalised action plan in relation to the 'Hold' attribute in August 2024 (towards the very end of the Relevant Period), which asked call evaluators and auditors to note the length of hold periods and highlight exacerbating factors, as well as including the reason for any markdown in their comments. In particular, Virgin Media provided examples of warning letters that were sent to Retention Agents following this initiative, where instances *of "unnecessary placing the call on hold/dead air for more than two minutes*" were highlighted.[426]

5.44 It is positive that Virgin Media took the step to widen the scope of the 'Switching' attribute in January 2023 so that it applied to calls that were logged as re-contracts, as well as those logged as disconnections.[427] However, we acknowledge that this meant the 'Switching' attribute still did not capture calls that did not result in a disconnection or a re-contract,

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[421] For example, although there was a Rocket Science module on transfers, there was no relevant attribute in the Compliance Framework for transfers (see (ii) below).
[422] See, in particular, paragraph 4.103.
[423] See, in particular, paragraph 4.83.
[424] See, in particular, paragraph 4.92.
[425] See, in particular, paragraphs 4.49 and 4.50.
[426] See paragraph 4.99.
[427] See paragraph 4.77. See also Virgin Media correspondence to Ofcom, 29 May 2026.

resulting in the 'Switching' attribute being considered in only 47% of interactions. It is also positive that Virgin Media added a column to the Compliance Framework in December 2023 where evaluators could record *"where an outcome may trigger remedial action by a Retention Customer Service Agent or Team Manager"*, enabling the potential noting of instances where a disconnection was requested but not booked under the 'Switching' attribute.[428]

5.45 We have found that Virgin Media's selective and narrow approach to the type of behaviours it monitored meant that Relevant Behaviours were often not effectively identified which significantly limited Virgin Media's ability to take appropriate follow-up action in response. In relation to informal follow-up action,[429] in total, Virgin Media provided evidence of 524 instances (mostly related to the failure of relevant attributes under the Compliance Framework), usually consisting of feedback and/or coaching given to Retention Agents based on the contents of the appropriate Rocket Science module (some of which missed key aspects of Relevant Behaviours and therefore in our view had limited impact). For example, two thirds of these instances related to the 'Hold' attribute and almost exclusively focused on the expectation that Retention Agents update customers every 180 seconds to 'refresh' hold as opposed to, for example, the inappropriate or excessive use.

5.46 While we acknowledge that some records of informal action may have existed but are no longer available and some instances of informal action would not have ever been formally recorded, we consider the evidence of informal action Virgin Media has provided to be particularly low when compared with the data that Virgin Media provided on failed attributes. For example, there were 2,559 instances of Retention Agents failing the 'Hold' attribute twice during any three-month period, however Virgin Media only provided evidence of 354 instances of informal follow-up action being taken.

5.47 Virgin Media provided limited evidence of recorded formal action being taken against Retention Agents who repeatedly failed compliance checks – it provided evidence of just ten relevant instances in total.[430] Even taking into account the factors Virgin Media gave as to why the number of formal cases would be lower (including that new hires were exempt from PIPs and the likelihood that a Retention Agent would leave before anything was recorded), we consider that they do not fully account for this low number. We also consider that this falls far short of what might have been expected given the volume of repeated fails of relevant attributes (even recognising that many cases may not have progressed to formal action).

5.48 Beyond the Compliance Framework, we have concluded that other areas of monitoring were not designed, implemented or applied in a way that would effectively identify and/or prevent the Relevant Behaviours, particularly given follow-up action taken in response to these was limited.[431]

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[428] See paragraph 4.116.
[429] See, in particular, paragraphs 4.58 to 4.63 in relation to our findings on informal action; see further our findings in relation to each Relevant Behaviour from paragraph 4.75.
[430] See, in particular, paragraphs 4.64 to 4.69 in relation to our findings on formal action; see further our findings in relation to each Relevant Behaviour from paragraph 4.75.
[431] See, in particular, paragraphs 4.70 to 4.73 in relation to our findings on other monitoring of calls and monitoring of customer experience; see further our findings in relation to each Relevant Behaviour from paragraph 4.75.

5.49 It is our view that the scale of Relevant Behaviours should have been apparent from CCT complaints, which Virgin Media had access to and we understand that it reported on these internally (regularly noting issues with aggressive retention attempts, transfers, disconnection avoidance and dropped calls).[432] Despite this awareness of the issues, Virgin Media failed to take appropriate and timely steps to address them, instead waiting until nearer the end of the Relevant Period to make more meaningful changes. For example:

(i) Despite acknowledging that dropped calls were an issue in CCT complaints in April 2023 and advising Ofcom that it had "*a number of squads focussing on multiple further process improvements including reduction of dropped calls",*[433] it was not until late June 2024 that it implemented an automatic alert system that appears to have encouraged improvements (albeit in relation to calls dropped within 30 seconds).[434]

(ii) Despite a review of repeat calls in March 2023 identifying that 'agent behaviour' was causing call backs and that both transfer and disconnection avoidance was contributing to these, it was not until much later, on 1 September 2024, that Virgin Media made meaningful changes to its commission scheme to *"drive the correct behaviours"* by removing the 'Churn' metric.[435]

5.50 It is positive that, from September 2024, Virgin Media required its call handling partners to investigate and feedback to Retention Agents where Ofcom received a CCT complaint including relating to difficulty cancelling.[436] However, we consider that this was implemented too late in the Relevant Period to have had any meaningful impact.

5.51 Further, in other circumstances, Virgin Media failed to recognise or identify issues. When it undertook a much larger review of 18,500 calls to identify disconnection issues spanning within and outside of the Relevant Period in January 2024, only 58 instances of "*where an agent may not have booked a disconnection despite a customer's request"* were identified, despite CCT complaints and repeat calls to Virgin Media indicating much higher levels of instances. Virgin Media explained this review was for *"insight purposes only… rather than a mean to provide feedback directly to agents"*.[437]

5.52 We note that changes made late in the Relevant Period will benefit far fewer customers than if Virgin Media had implemented them earlier (from when we first raised concerns with it in February 2021 or earlier in the Relevant Period). This is because from 12 September 2024 customers have been able to switch under OTS without having to contact Virgin Media.

Other steps taken during the Relevant Period

5.53 Virgin Media took other steps during the earlier half of the Relevant Period during engagement with Ofcom. For example, it made improvements to its website, increased agent resource, prioritised internal call transfers and introduced another cancellation channel.[438]

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[432] Follow-up Response to First Information Request, 16 February 2024, *'Virgin Media Ofcom Complaints [date]'* slide packs (later called *'VM OFCOM Complaints Decks [date]'*); Initial Response to Fourth Information Request, 29 April 2025, *'Retain Division- Ofcom Complaint Review [date]'* slides.

[433] Initial Response to First Information Request, 29 November 2023, Question (17)(a) *'OFCOM update to end Apr-23'*.

[434] See paragraph 4.108.

[435] See paragraph 4.25.

[436] See paragraph 4.72(iv).

[437] Initial Response to Fourth Information Request, 29 April 2025, Question (1)(d)(iv); see paragraph 4.71(iv).

[438] See paragraph 2.8.

These steps helped to address other issues we had raised in our engagement with Virgin Media during the earlier half of the Relevant Period about the time it was taking for customers to speak with an agent after calling up and whether they would be able to.[439] While we welcome these improvements, we have not taken them into account when considering the amount of penalty in this case as they relate to the time taken for customers to speak with an agent, which is outside the scope of this investigation.

Steps taken after the Relevant Period

5.54 In Virgin Media's letter of 11 November 2025, it explained that, although the vast majority of disconnections were being dealt with through OTS (since its industry launch on 12 September 2024), it had made the following improvements:[440]

(i) In Q1 2025, Virgin Media was conducting a trial introducing compliance monitoring for all calls handled by all agents using enhanced AI technology, enabling review and feedback to be provided to agents and their Team Managers in real time.

(ii) In March 2025, it established a Complaints Escalation Team of experienced agents who Retention Agents can either consult for real-time advice during a call or with whom the agent can raise a ticket in order for the Complaints Escalation Team to proactively resolve an issue with the customer. Virgin Media has explained that this has reduced repeat customer contacts.

(iii) In April 2025, it resumed its process for providing Retention Agents with feedback as a result of ACE customer surveys (originally implemented in May and June 2024 but placed on a temporary pause at some point in 2024).

(iv) In May 2025, it introduced a new mandatory training module on handling calls which includes guidance on when to end a call, the correct use of hold and what to do in the event of a dropped call. Completion rates were now tracked, and Team Managers follow-up in the event of non-completion of this training. Virgin Media explained that the aim was for the entire agent population to have completed this by the end of 2025, noting that Retention Agents for Voice had already completed it at the time of the letter.

(v) In July 2025, Virgin Media introduced new 'agent conduct' compliance criteria against which agent behaviours are reviewed, including the excessive use of hold and unnecessary transfer of calls or language used when having a disconnection conversation. It also said it had provided further clarity around the 'Switching' attribute and "barriers to disconnection". It explained that it had also strengthened feedback and follow-up action, with agents who underperform against the Compliance Framework identified for additional support and a detailed action plan (formally recorded on the system) implemented by Team Managers.

(vi) In Q2 of 2025, it implemented technology enabling calls to be monitored in 'real time' for key words or phrases relating to disconnection used by customers. Where identified, Virgin Media explained that there is a subsequent review of the actions

[439] These issues were raised alongside issues relating to the difficulties that customers were encountering when speaking with an agent.
[440] Letter from Virgin Media to Ofcom providing supplemental information to the investigation, 11 November 2025.

taken by the Retention Agent to ensure that they had followed procedures (including booking a requested disconnection where requested).

(vii) Since late Q2 2025, it established a 'Continuous Improvement Team' to both identify and address customer journey issues across all areas of customer service, including through root cause analysis of all complaints which it explained would be used to identify issues and fix process which drive customer dissatisfaction.

(viii) In September 2025, it began merging the functions of Tier 1 and Tier 2 into a single team, so that all Retention Agents can process disconnections. Virgin Media explained that this was due to be completed in mid-November 2025.

5.55 While Virgin Media took these steps after the end of the Relevant Period, they nonetheless represent positive changes that are likely to improve customer experience going forwards and there are promising indications in the volume of CCT complaints since the end of the Relevant Period. We have taken these steps into account when determining what we consider to be an appropriate and proportionate penalty in this case. We do, however, note that these steps are likely to benefit far fewer customers than if Virgin Media had implemented them at any time from when we first raised concerns with it in February 2021 until 11 September 2024 (after which customers have been able to switch under OTS without having to contact Virgin Media). We have also taken the above steps into account in considering appropriate remedies for the contravention in Section 6.

Steps taken to remedy the consequences of the contravention

5.56 We note that, prior to November 2023, Virgin Media undertook investigations into complaints made to Ofcom's CCT regarding 'difficulty cancelling'. We understand that the reporting and discussions of these complaints occurred "*more informally*" within the Retention Team (see paragraph 4.72(ii) above) – for example, the reports that were produced were not produced on a regular timescale, nor were they shared with any governing body. We also note that in some cases Virgin Media had contacted the customers concerned to resolve issues, where required. In particular, in January 2023, Virgin Media advised Ofcom that it had *"completed a deep dive into the 16 Ofcom* [CCT] *complaints in December [2022] (and all previous months)"* and had contacted these customers to resolve issues, although it is not clear if this included any redress.[441]

5.57 From November 2023, Virgin Media implemented *"a more formal process"* for reviewing CCT complaints which related to difficulty cancelling. The monthly reports were shared with and discussed at the Retentions Leadership Forum.[442] It is not clear within these reports whether Virgin Media contacted customers to resolve complaints or provide redress. However, Virgin Media has explained that: *"Whilst the process of reporting to the Retentions Leadership Forum has been implemented relatively recently, Virgin Media notes, however, that it has always taken the complaints regarding cancellation seriously with investigations undertaken to resolve complaint and find solutions to any underlying root causes throughout, and prior to, the Relevant Period (albeit the reporting and discussions regarding the complaints took*

[441] Follow-up Response to First Information Request, 16 February 2024, *'OFCOM update FY22', slide 5.* These related to CCT complaints where the customer had agreed their personal details could be shared with Virgin Media. It is unclear whether this deep dive formed part of this *"more informal…"* reporting process in place pre-November 2023 or was a separate exercise, and whether it was shared with any governing body.
[442] Follow-up Response to First Information Request, 16 February 2024, Question (17).

place more informally).”[443] This suggests Virgin Media contacted customers to resolve their complaint as a part of this process, however it is not clear the circumstances in which resolution was offered nor what redress (if any) was provided. It is also unclear whether Virgin Media provided appropriate redress to customer complaints that were made to it directly.

5.58 We also understand that Virgin Media offered some resolution (and, in some cases, it appears that this may have included redress in the form of credit) where poor Retention Agent behaviour was identified following ACE customer surveys – at least some of these instances appear to be in response to the use of the Relevant Behaviours.[444]

5.59 Virgin Media advised that it has resolved both complaints that were made to it directly and CCT complaints about difficulty cancelling (where the customer agreed to the sharing of their personal details with Virgin Media). We have set out in Section 6 below the steps which we are requiring Virgin Media to ensure complainants received appropriate redress.

5.60 Overall, we have concluded that Virgin Media has taken limited steps to date to identify *all* customers that were affected by the Relevant Behaviours and/or the two-tier cancellation process (i.e. including those that did not make a complaint to either Ofcom or Virgin Media directly). We have taken this, and the fact it is likely to be difficult for Virgin Media to offer redress to customers in these circumstances, into account in considering an appropriate and proportionate amount of the penalty in this case.

The extent to which the contravention occurred deliberately or recklessly and whether senior management should have been aware

5.61 In relation to Virgin Media’s two-tier cancellation process,[445] we consider that this was an intentional and deliberate structural choice Virgin Media made to drive the retention of customers notwithstanding the requirement for compliance with GC C1.8. Specifically, the two-tier cancellation process was designed to create an additional opportunity for Virgin Media to save customers it considered to be at lower risk of leaving. This introduced an unnecessary obstacle for customers seeking to cancel who were first transferred to a Tier 1 Retention Agent (who could not process disconnections) and who would need to repeat the process with a Tier 2 Retention Agent in order to progress to cancellation. Virgin Media therefore made a deliberate decision to put a process in place that made it difficult for many customers to cancel and undermined the fundamental purpose of GC C1.8.

5.62 We also consider that Virgin Media was at least reckless in having procedures – through its commission scheme, training and guidance and quality assurance and monitoring processes – that were insufficient and/or ineffective in preventing customers from being disincentivised by the use of Relevant Behaviours by Retention Agents during calls. In particular:

(i) Virgin Media made a deliberate decision to implement its commission scheme in the way that it did and Virgin Media, including its senior management, knew or ought to

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[443] Follow-up Response to First Information Request, 16 February 2024, Question (17).

[444] Follow-up Response to Fourth Information Request, 9 May 2025, Question (13)(b), ‘*Annex 13(b)*’. This process was initially trialled in Q1 2023, started in July 2023 and was temporarily paused between September and November 2023.

[445] See from paragraph 4.124 above.

have known that it was incentivising and financially rewarding a significant number of Retention Agents for retaining customers even if they used the Relevant Behaviours to do so (and contrary to Ofcom's guidance on GC C1.8).[446]

(ii) Virgin Media, including its senior management, knew or ought to have known from complaints and its own monitoring that Retention Agents were engaging in the Relevant Behaviours but allowed those agents to continue to receive commission (including full commission or more in circumstances where the Retention Agent exceeded targets). We recognise that Virgin Media did have limited guardrails in place to reduce commission for Retention Agents engaging in some Relevant Behaviours (including failing to log or process a disconnection and when a certain proportion of callers either rang back within seven days or were transferred more than once in a single call). However, it was generally financially worthwhile for Retention Agents to use Relevant Behaviours to achieve a save, even if it occasionally resulted in a small reduction in commission.

(iii) Virgin Media, including its senior management, knew or ought to have known its procedures were acting as a disincentive to its customers being able to change communications providers and the adverse impact they were having, and continued to have, on customers. Despite continuous access to monthly CCT complaints data and engagement with Ofcom on the issue, Virgin Media failed to take appropriate and timely steps to identify and address these during the Relevant Period.

5.63 We consider Virgin Media's deliberate decisions to implement its two-tier cancellation process and commission scheme (in the way it did) and its repeated failures to take appropriate steps to identify and prevent the Relevant Behaviours – despite having various opportunities to do so from when we first raised concerns with it in February 2021 to earlier in the Relevant Period – to be particularly serious. We have taken these conclusions into account in determining an appropriate and proportionate penalty in this case.

Virgin Media's approach to responding to information requests

5.64 Virgin Media has been responsive to correspondence and other engagement with Ofcom as part of (and prior to) the investigation. However, during the course of the investigation, we encountered several issues with Virgin Media's approach to responding to information requests. We found that its approach and underlying responses to statutory information requests have demonstrated significant and repeated failings, some of which we consider are likely to have breached Virgin Media's obligation to provide Ofcom with complete and accurate information. In particular (and as set out more fully in Annex 3), our view is that:

(i) First, Virgin Media provided **incomplete information** to Ofcom, including by failing to provide information (including documents) within the scope of our requests, failing to fully respond to questions and failing to provide sufficient information for Ofcom to understand Virgin Media's response and any relevant context. For example, in its

[446] As explained in paragraph 5.35 above, we note that Virgin Media appears to acknowledge the potential impact of its commission scheme in the explanation it provided for some of the changes it made on 1 September 2024. It stated it *"ensures that commission is only earned for calls where the agent actively secures a recontract, eliminating any reward for inaction or passivity on the call"* and *"prevents any unintentional incentive to avoid booking disconnections"*.

initial response to the First Information Request,[447] its responses to 15 out of the 19 questions relevant to this investigation appeared to be either unanswered, incomplete or did not provide sufficient information or relevant context in order for Ofcom to understand the response. This resulted in Ofcom issuing a warning letter to Virgin Media, reminding it of the requirement to provide complete and accurate information in response to information requests and the consequences for failing to do so. Despite this warning, Virgin Media continued to provide incomplete information, including in its follow-up response to the First Information Request.[448] For example, it later provided information in response to the Fourth Information Request which we consider was in scope of the First Information Request and therefore should have been provided at that time (including a Rocket Science module and information about substantially different disciplinary procedures that [Partner A] had adopted). This included information with respect to [Partner B] and [Partner A] which Virgin Media later provided in response to the Fourth Information Request, having appeared to have failed to reach out to these third-party partners and conduct a full review of relevant processes at the time of the First Information Request despite these being in-scope.

(ii) Second, Virgin Media provided **information that was inconsistent with, or corrected by, subsequent information** provided by Virgin Media, which we have concluded meant Virgin Media provided Ofcom with inaccurate and/or incomplete information. A number of responses to the Fourth Information Request were inconsistent with, and subsequently changed our understanding of, aspects of Virgin Media's policies and procedures presented in responses to the First Information Request.[449] For example, this applied to the purpose and use of a 'CR Call Type Brief' document (which Virgin Media later clarified was not mandatory and was not used with all Retention Agents), and to data relating to the proportion of callers who were initially directed by the IVR to Tier 1.

(iii) Third, Virgin Media failed to provide information requested by Ofcom as a result of **poor record keeping**, **failing to take appropriate steps to preserve relevant documents during an open investigation** and/or a **lack of control, visibility or oversight of its third-party partners [Partner A] and [Partner B]**. For example:

(a) In response to the Third Information Request, Virgin Media only provided 156 out of a potential 275 voice call recordings relating to a sample of CCT customer complaints. Although Virgin Media explained that this was mainly due to entire recordings being routinely deleted due to them containing customer payment information, we identified two recordings where only part of the calls appeared to have been redacted for this reason which suggested that the whole call may not have had to be deleted. Virgin Media also noted that several system outages had resulted in a short-term inability to record calls.[450]

[447] See from paragraph A3.7 of Annex 3.
[448] See paragraph A3.14 of Annex 3.
[449] See paragraph A3.13 of Annex 3.
[450] See from paragraph A3.16 of Annex 3.

(b) In relation to the Fourth Information Request, Virgin Media revealed that some requested information was no longer available, including as a result of changes made to a platform (relating to call handling and transfer data) and another platform being decommissioned (relating to training materials). Virgin Media explained that these changes occurred after the investigation was opened and therefore resulted in the loss of relevant information during a live investigation.[451]

In addition, in response to the Fourth Information Request, Virgin Media provided very limited records of formal follow-up action taken against Retention Agents at sites operated by third parties.[452] To the extent any more records of such formal action exist, we consider that these should have been easily accessible and readily available to Virgin Media. Our view is that either there is no further evidence of any formal action being taken or Virgin Media's third-party partners failed to record what other formal action was taken. In this context, we are unaware of any clear or consistent data retention policy requiring [Partner B] and [Partner A] to record evidence of formal action.[453]

(iv) Fourth, Virgin Media provided, in response to Question (17)(d) the Fourth Information Request, 660 instances of follow-up action that basic due diligence checks would have identified were **clearly out of scope** of, and therefore not responsive to, the specific question.[454] This was due to these instances being from outside of the Relevant Period or not relating to an attribute under the Compliance Framework which was relevant to the question.[455] Over 1,500 of pages of material were provided in relation to these instances, requiring unnecessary Ofcom resource to review.[456]

5.65 Our conclusion is that there is no reasonable justification for all these repeated and significant failings. These issues meant that accurate and complete information was subsequently received late and, in some cases, not at all. This included important information relating to its third-party partners, [Partner A] and [Partner B]. This is despite the fact Virgin Media is responsible for the activities its third-party partners carry out on its

[451] See paragraph A3.25(ii) and (iii) of Annex 3

[452] We recognise that, in some cases, a Retention Agent may have left before formal action was recorded and that some records may no longer be available. We also note Virgin Media's explanation as to why in some cases repeated failures would not result in a PIP or other formal disciplinary proceedings. However, it is our view that these factors do not account for it only providing 19 instances of formal action compared with the over 4,000 instances where individual agents failed the same attribute three times in any three-month period. (The scope of the relevant question of the Fourth Information Request was not confined to just Voice and therefore the number of instances of formal action instances of formal action cited in this footnote and for the purposes of Annex 3 are higher than those cited in the findings we make in Section 4.)

[453] See paragraph A3.25(i) of Annex 3.

[454] See paragraph A3.24(i) of Annex 3.

[455] We also note that a small number of these instances were contained in 13 pages which were either blank or unreadable, and so we also consider these to be out of scope for these purposes.

[456] In response to Question (17)(d) of the Fourth Information Request, Virgin Media provided the 919-page document *'[Partner A] Informal 2022'* (which it stated contained 250 instances of informal action from 2022) and a folder *'Q17 (d)'* containing 945 individual documents (mostly comprising of one to two pages) which it stated contained 945 instances of informal action from 2023 onwards. We consider that 660 instances (out of a total of 1188) were outside of the scope of the question. Over 1,500 pages of material from these documents related to the instances which we consider to be out of scope.

behalf and is considered to hold any documents created, issued or otherwise held by its third-party partners to the extent that they relate to activities carried out on behalf of Virgin Media.

5.66 The repeated issues with Virgin Media's responses to statutory information requests materially impacted our ability to obtain and assess relevant evidence and significantly increased the amount of time and resource required to complete this investigation. It has also undermined our ability to enforce the General Conditions and achieve quicker outcomes for consumers and certainty for the industry.

5.67 This is particularly concerning in light of the fact that we have twice previously found Virgin Media in breach of its obligations under section 135 of the Act and issued Virgin Media with a financial penalty in 2018 and 2019.[457] In both those decisions, we found that there had been a degree of carelessness and an absence of effective systems in place to respond comprehensively to information requests in a timely manner in accordance with its statutory obligations under section 135 of the Act.[458]

5.68 We have found that Virgin Media's responses to statutory information requests during this investigation have again at least demonstrated a high degree of carelessness and an absence of effective systems in place to provide complete and accurate responses in accordance with its statutory obligations under section 135 of the Act. It is a basic requirement to consider all systems and places (including third-party partners) where requested information may be stored and carry out appropriate searches for that information. Basic due diligence checks should have also identified the multiple errors we have found. In particular, it would have required minimal action by Virgin Media to review its responses against the wording of the questions before submitting them to ensure it was providing a complete answer to every question. It is also a basic requirement to ensure responses are checked and verified by staff with relevant knowledge and expertise and to ensure there are no inconsistencies within or between responses.

5.69 Virgin Media is a well-resourced communications provider with a dedicated Regulatory Affairs team and an in-house legal team, as well as extensive experience of responding to statutory information requests. It is unclear to us why Virgin Media's governance processes for responding to statutory information requests repeatedly failed during this investigation and our view is that there is no reasonable excuse for the significant, repetitive and basic failings we have set out more fully in Annex 3. We consider this to be particularly serious given Virgin Media was warned about significant issues with its responses at an early stage of the investigation.

5.70 Even if Virgin Media's responses to statutory information requests were not deliberately misleading, it is important that the provision of inaccurate and incomplete information is deterred, and that Virgin Media takes its regulatory responsibilities seriously.

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[457] CW/01198/06/17: Confirmation Decision under section 139A of the Communications Act 2003, non-confidential version, 16 November 2018; CW/01229/08/18: Confirmation Decision under section 139A of the Communications Act 2003, non-confidential version, 18 February 2019.

[458] CW/01198/06/17: Confirmation Decision under section 139A of the Communications Act 2003, non-confidential version, 16 November 2018, paragraphs 1.5 and 1.63; CW/01229/08/18: Confirmation Decision under section 139A of the Communications Act 2003, non-confidential version, 18 February, 2019, paragraphs 1.5, 1.45 and 1.55.

5.71 When determining the amount of the penalty in this case, we have taken into account all of the issues described above and in Annex 3 (some of which we consider are likely to have breached Virgin Media's obligation to provide complete and accurate information) and the impact that has had on our investigation.[459]

History of contraventions

5.72 Our Penalty Guidelines state that we may consider whether the regulated body in breach has a history of contraventions and repeated contraventions may lead to significantly increased penalties.[460]

5.73 We have therefore taken account of our finding on 16 November 2018 that Virgin Media contravened what was at the time GC 9.3 (now GC C1.8) and GC 9.2(j) (now GC C1.3) between at least 1 September 2016 and 22 August 2017.[461] We issued a penalty of £7 million (equivalent to £9.1 million today)[462] for this contravention. In that case, we found that Virgin Media contravened GC 9.3 by charging Early Termination Charges ("**ETCs**") that were higher than the amounts that its customers on fixed term contracts had agreed to pay during the period 22 September 2016 to 22 August 2017, which made switching more expensive for customers and acted as a disincentive. In total, we found that Virgin Media overcharged more than 80,000 customers a total of just under £3 million.

5.74 It is of significant concern that we have again found that Virgin Media has disincentivised customers from switching, especially given the importance of GC C1.8 in protecting consumers and empowering them to obtain the maximum benefits from a competitive market. Our finding is that Virgin Media has now repeatedly breached GC C1.8 and we have placed significant weight on this when considering what is an appropriate and proportionate penalty is in this case, taking into account the need to set the penalty at such a level that it deters Virgin Media from future non-compliance with this GC and its regulatory obligations more generally.

Precedents

5.75 As set out in our Penalty Guidelines, Ofcom will have regard to any relevant precedents. Previous penalties do not place an upper threshold on the amount of any penalty which will be dependent on the specific facts and context of a case.

5.76 The most relevant precedents relate to previous penalties we have issued for breaches of GC 9.3 in the context of ETCs), namely:

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[459] We have considered whether to open a separate investigation into some of the issues we have identified relating to Virgin Media's inaccurate and incomplete responses to statutory information requests. As explained above, the issues we have found are however much wider than failing to comply with statutory information requests. Taking into account the multiple and wide-ranging nature of the issues, we consider it more appropriate to take these issues into account when determining an appropriate penalty for the contravention of GC C1.8 we have found (see paragraph 4.16 of our Regulatory Enforcement Guidelines).

[460] Penalty Guidelines, Ofcom, 14 September 2017, paragraph 1.12.

[461] CW/01198/06/17: Confirmation Decision under section 96C of the Communications Act 2003, non-confidential version, 16 November 2018. This related to a contravention of GC 9.2 and GC 9.3 (now contained in GCs C1.2 and C1.3).

[462] Penalty adjusted for inflation (CPI as at Jan 2026). See ONS consumer price inflation tables (accessed 3 March 2025). Similar adjustments to financial penalties below are made on the same basis.

(i) Our previous finding on 16 November 2018 that Virgin Media breached GC 9.3 and GC 9.2(j) (now GC C1.3). As set out above at paragraph 5.73, we fined Virgin Media £7 million (equivalent to £9.1 million today) for this breach.

(ii) Our previous finding on 16 November 2018 that EE breached GC 9.3 and GC 9.2(j) (now GC C1.3) in relation to ETCs.[463] We found that EE's contract terms did not set out clearly how much consumers would have to pay if they ended their contract early, and those charges were set too high for a large number of landline, broadband and mobile consumers. We fined EE £6.3 million (equivalent to £8.2 million today) for this breach (which included a 30% settlement discount).

5.77 We refer to these precedents collectively as the "**ETC Precedents**".

5.78 For the reasons set out below, we consider this case to be significantly more serious than the ETC Precedents. While we have had regard to these ETC Precedents, we have also taken into account that the facts and context are different. For example:

(i) In the ETC Precedents, around 400,000 customers were overcharged by EE and over 80,000 were overcharged by Virgin Media. In this case, we have found that customers are likely to have been disincentivised from switching on millions of calls.

(ii) The ETC Precedents related to the amount of ETCs payable by customers. In this case, we are concerned with multiple different procedures which we consider to be systematic across Virgin Media's entire cancellation process and which we consider frustrated the fundamental purpose of GC C1.8.

(iii) The ETC Precedents related to a shorter relevant period.

(iv) The ETC Precedents also took into account breaches of GC 9.2(j) (now GC C1.3) relating to providing consumers with minimum contractual information in a certain form.

(v) The ETC Precedents did not take into account any failings with respect to information gathering during the course of the investigation when setting the amount of the penalty. EE was cooperative in the investigation (including through volunteering admissions and providing information in a timely manner). In the previous case, Virgin Media was found to have repeatedly provided incomplete information in response to four information requests which used up additional time and resource in the investigation. However, we took separate enforcement action with respect to this and fined Virgin Media a separate £25,000,[464] which meant that those matters were not taken into account in imposing a £7 million fine. We also consider Virgin Media's repeated failings with respect to information gathering during the course of this investigation has used up significantly more time and resource than it did in the previous investigation.

[463] CW/01217/03/18: Confirmation Decision under section 96C of the Communications Act 2003, non-confidential version, 16 November 2018. This relates to a contravention of GC 9.2 and GC 9.3 (now contained in GCs C1.2 and C1.3).

[464] CW/01198/06/17: Confirmation Decision under section 139A of the Communications Act 2003, non-confidential version, 16 November 2018.

(vi) The ETC Precedents are dated 2018, almost 7 years ago (before sharp increases in the cost of living in the UK during 2021 and 2022), and Virgin Media's relevant turnover at that time was lower.[465]

(vii) At the time of the ETC Precedents, we had not previously found Virgin Media in breach of our GCs and had not previously found either Virgin Media or EE in breach of GC 9.3.

5.79 We have also considered more recent decisions we have taken that are relevant to the consumer protection rules in the General Conditions. In particular:

(i) On 22 May 2024, we found BT contravened consumer protection rules relating to the provision of contract information and contract summaries. We fined BT £2.8 million (which included a 30% discount for settlement). We found that it failed to provide customers with contract information and contract summaries, resulting in it not giving the required information to approximately 1.3 million sales.[466]

(ii) On 21 November 2023, we found Shell Energy in breach of consumer protection rules relating to the provision of end-of-contract notifications. We fined Shell Energy £1.4 million (which included a 30% discount for settlement). We found that it failed to provide end-of-contract notifications and annual best tariff notifications containing specified information, as required by the GCs. We found that 72,837 customers were affected by errors between 26 March 2020 and 14 June 2022.[467]

(iii) On 12 February 2021, Ofcom imposed a penalty of £10.5 million (which included a 30% discount for settlement) on Telefonica UK Limited trading as O2 – now part of VMO2 – for breaches of GC C3.2 (and former GC 11.1) for failing to render or make available accurate final bills to be issued to customers after their cancellation of services, and by overcharging a significant number of customers terminating their pay monthly services. We found that c.250,000 customers were overcharged c.£41 million (although £38 million of this amount was not ultimately paid by customers) over a seven-year period.[468]

(iv) On 30 July 2019, Ofcom imposed a penalty of £1.4 million (which included a 30% settlement discount on a penalty of £2 million) on giffgaff Limited ("giffgaff") – which is fully owned by Telefonica UK Limited and now part of VMO2 – in relation to a contravention of GC 11.1. We found that giffgaff had overcharged around 2.6 million customers by an estimated £2.9 million over a 7-to-8-year period as a result of a billing error. We said that the penalty would have been significantly higher had giffgaff not self-reported the contravention, co-operated closely with our investigation and proactively taken steps to remedy the contravention following

[465] In the previous case, Virgin Media's relevant revenues were [✂].
[466] CW/01265/11/22: Confirmation Decision under section 96C of the Communications Act 2003, non-confidential version, 22 May 2024. This related to a contravention of GCs C1.3 to C1.7 and C5.16.
[467] CW/01259/04/22: Confirmation Decision under section 96C of the Communications Act 2003, non-confidential version, 10 January 2024. This related to a contravention of GCs C1.21, C1.23, C1.24, C1.27, C1.30, C1.32, C1.33 and C1.34 (previously GCs C1.10, C1.11, C1.13, C1.16, C1.17, C1.18 and C1.19).
[468] CW/01248/07/19: Confirmation Decision under section 96C of the Communications Act 2003, non-confidential version, 12 February 2021. This related to a contravention of GC C3.2 (formally GC 11.1) and the Metering and Billing Direction.

discovery of the issue, including the implementation of a comprehensive refund plan.[469]

(v) On 1 December 2025, Ofcom imposed a penalty of £23.8 million (which included a 30% discount for settlement) on Virgin Media for contravening General Condition C5.2. Ofcom found that Virgin Media failed to comply with its own policies and procedures for the fair and appropriate treatment of vulnerable consumers, relating to migrating customers with telecare devices from traditional copper lines to digital landlines.[470]

5.80 We have also taken into account previous decisions we have issued relating to breach of statutory information requirements. These include (i) the two financial penalties imposed on Virgin Media in 2018 and 2019 (which we refer to in the section above at paragraph 5.67 on Virgin Media's approach to responding to information requests and which we have taken into account in the context of deterrence); and (ii) previous penalties imposed on giffgaff [471] and Telefonica UK Limited [472]– both part of VMO2 – for breach of statutory information requests. As explained above, the issues we have found in this case are however broader than just failing to comply with statutory information requests.

Deterrence

5.81 As set out in our Penalty Guidelines, the central objective of imposing a penalty is deterrence.[473] The level of the penalty must be sufficient to have a material impact on the regulated body so that it is incentivised to bring itself into compliance and ensure compliance with regulatory rules in future. It is also important that the penalty imposed serves to deter the wider industry from contravening regulatory requirements.

5.82 Any penalty we set should therefore be sufficiently high to discourage bad conduct and incentivise Virgin Media's senior management to change the conduct of the company, encouraging good practices and a culture of compliance across the organisation. The level of the penalty should ensure that Virgin Media's senior management recognises that it is not more profitable for it to fail to meet regulatory requirements and pay the consequences, than to comply in the first place. It should make clear that it is not worth taking the risk of non-compliance because it will cost the company more to do so.

5.83 As explained above, Virgin Media has been previously fined for a breach of the same rule. That level of fine did not appear to deter Virgin Media from the breach of GC C1.8 that is the focus of this Confirmation Decision. Virgin Media has also previously been fined twice for

[469] CW/01230/09/18: Confirmation Decision under section 96C of the Communications Act 2003, non-confidential version, 30 July 2019. This related to a contravention of GC C11.1.
[470] CW/01278/12/23: Confirmation Decision under section 96C of the Communications Act 2003, non-confidential version, 1 December 2025. This related to a contravention of GC C5.2.
[471] In 2019, we imposed a financial penalty of £50,000 on giffgaff for providing inaccurate information to Ofcom, in contravention of s135 of the Act (CW/01230/09/18: Confirmation Decision under section 139A of the Communications Act 2003, non-confidential version, 30 July 2019).
[472] In 2021, we imposed a financial penalty of £150,000 (which included a 25% discount) on Telefonica UK Limited for providing inaccurate and incomplete information to Ofcom, in contravention of information requirements (CW/01252/12/19: Confirmation Decision under section 139AC of the Communications Act 2003, non-confidential version, 1 December 2021).
[473] Penalty Guidelines, Ofcom, 14 September 2017, paragraph 1.4.

breach of statutory information request requirements, including for failing to provide complete information to Ofcom. Those fines also do not appear to have deterred Virgin Media from the repeated and significant issues described above with respect to information gathering during the course of the investigation.

5.84 Taking into account the seriousness of the contravention we have found (and the various factors discussed in this section), we consider deterrence to be particularly important in this case.

5.85 The amount of the penalty we have set therefore takes into account the importance of ensuring Virgin Media (and wider industry) is sufficiently deterred from failing to comply with GC C1.8 and its regulatory obligations more generally in the future. It is particularly important that Virgin Media (and wider industry) are sufficiently incentivised to:

(i) Ensure appropriate and effective training and guidance, and quality assurance and monitoring processes, are implemented to ensure compliance with their regulatory obligations. In doing so, Virgin Media (and wider industry) should not take a narrow or selective approach to compliance and should take account any relevant guidance issued by Ofcom.

(ii) Ensure any commission scheme they have implemented does not incentivise non-compliance, taking into account any relevant guidance issued by Ofcom.

(iii) Ensure they fully cooperate with an investigation and comply with their legal obligations to provide Ofcom with accurate and complete information by the stipulated deadline. In doing so, Virgin Media (and wider industry) must ensure they put appropriate systems and processes in place to ensure compliance, taking into account Ofcom's general policy on information gathering.

5.86 We recognise that Virgin Media has implemented OTS, an industry initiative which is delivering benefits for many customers, by removing barriers because under this system customers no longer need to contact their existing provider to switch to another provider on another network.[474] However, it does not remove a provider's need to comply with GC C1.8 and indeed customers may still wish to contact their provider about their switch if they wish to or need to do so (for example, because the matching process has failed).[475] More generally, the implementation of OTS does not remove the importance of deterring Virgin Media or wider industry from taking appropriate steps to ensure they comply with their regulatory obligations.

5.87 In considering what level of penalty may be appropriate to sufficiently incentivise and deter Virgin Media for the purposes set out above, we have also taken into account the penalty of £23.8 million imposed on Virgin Media on 1 December 2025 for contravening General Condition C5.2.

[474] Simpler and quicker broadband switching is here, Ofcom, 12 September 2024.
[475] Statement: Quick, easy and reliable switching, Ofcom, 3 February 2022, paragraph 3.41.

Relevant turnover

5.88 In accordance with the Act, any penalty we impose must be appropriate and proportionate to the contravention for which it is imposed and must not exceed 10% of Virgin Media's turnover for its relevant business for the relevant period.[476]

5.89 Virgin Media's turnover for its relevant business for the financial years ending March 2026 was up to [✂].[477]

Conclusion on penalty

5.90 Considering the specific circumstances of this case and all of the relevant factors discussed above, we have decided that it is appropriate to impose a penalty on Virgin Media for disincentivising customers from switching in breach of GC C1.8. Having regard to the factors set out above, including Virgin Media's relevant turnover, Ofcom considers that a penalty of £28 million (including a 30% discount due to Virgin Media's completion of Ofcom's settlement process) is appropriate and proportionate to the nature and duration of the contravention and should have an appropriate deterrent effect. This penalty balances the factors identified in this section, in particular:

(i) the seriousness of the contravention which we have found was a systemic issue across Virgin Media's entire cancellation process for customers calling to cancel and undermined the fundamental purpose of GC C1.8;

(ii) the significant consumer harm which is likely to have impacted customers on millions of calls for nearly three years and the associated financial gain Virgin Media is likely to have made;

(iii) the deliberate decisions taken by Virgin Media to implement its two-tier cancellation process and operate its commission scheme (in the way it did) and its repeated failures to appropriately identify and prevent the Relevant Behaviours, which we have found Virgin Media's senior management knew, or ought to have known, were disincentivising switching;

(iv) Virgin Media's lack of visibility, oversight and/or control of third parties that operated key functions such as call centres and quality assurance checks on them;

(v) Virgin Media's repeated failings with respect to information gathering during the course of the investigation, including its provision of inaccurate, incomplete and/or inconsistent information to Ofcom in response to statutory information requests;

(vi) the fact Virgin Media was fined for a breach of the same rule previously; and

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[476] Communications Act 2003, Section 97.

[477] Provided in email from Virgin Media to Ofcom, 24 June 2026. Full figure provided was [✂], which we have rounded to the nearest million. We note that the financial statements from which this figure has been generated are currently in draft form and will not be signed off formally until later in the year. We also note that the actual figure may be slightly less than this on the basis some of the products or services provided by Virgin Media may not strictly fall within the relevant definition in Section 97 of the Communications Act 2003.

(vii) the importance of deterring Virgin Media (and wider industry) from breaching GC C1.8 or other regulatory obligations in the future and incentivising them to take, and continue to take, appropriate steps to ensure compliance.

6. Remedial steps required of Virgin Media

6.1 We consider it appropriate to direct Virgin Media to take the following remedial actions to comply with GC C1.8.

Actions required of Virgin Media in relation to its internal procedures

6.2 In its letter of 12 November 2025, Virgin Media noted that most disconnections were now being dealt with through One Touch Switch, under which customers no longer need to contact their existing providers to make a switch.[478] It did, however, acknowledge the importance of ensuring that it complies with GC C1.8 where customers do not use this method.

6.3 Virgin Media has taken a number of positive steps (many of which were implemented towards the very end of the Relevant Period), which are set out in paragraphs 5.28 to 5.52 of Section 5 above. In addition, in its letter of 12 November 2025, Virgin Media referred to a number of improvements it had introduced between March 2025 up until that point, which are set out in paragraphs 5.54 and 5.55 of Section 5 above.

6.4 We recognise the steps that Virgin Media has taken, and is taking, to address our concerns. We also require it to:

(i) Review and update its mandatory training and other learning materials to ensure that they set clear behavioural expectations for Retention Agents (including by instructing against the use of the Relevant Behaviours) and provide appropriate advice and guidance on how to avoid actions or practices that could form part of one or more of the Relevant Behaviours.

(ii) Review its monitoring processes to ensure it can, and does, identify any instances where Relevant Behaviours still occur and takes appropriate steps if they do. It should consider introducing more systematic ways of identifying these issues, noting for example the positive (albeit limited to short durations) alert system for dropped calls and its approach to Churn Feedback as a mechanism for identifying failures to process disconnections (including the Team Manager’s role in validating such feedback).

(iii) Review its approach to internal governance including senior level engagement where compliance issues are identified to ensure it is considering and responding appropriately where concerns are raised.

(iv) Ensure that it keeps appropriate records of documents, and that complete, accurate and consistent information is provided to Ofcom in response to statutory information requests.

[478] Letter from Virgin Media to Ofcom providing supplemental information to the investigation, 12 November 2025.

(v) Review its oversight of third-party partners, as it remains responsible for the activities those third parties carry out on its behalf and compliance with any applicable rules, including to ensure:

(a) they are aware of, and receive appropriate training on, the consumer protection measures which they need to comply with and have appropriate systems and processes in place to ensure this;

(b) they take appropriate follow-up action, including formal disciplinary action, where any potential non-compliance is identified, in line with Virgin Media's policies and expectations; and

(c) they implement and maintain an appropriate data retention policy.

Actions required in relation to affected customers

6.5 Virgin Media has advised that it has resolved complaints about difficulty cancelling – both those made to it directly and CCT complaints (where the customer agreed to Ofcom sharing their personal details with Virgin Media). We require Virgin Media to take steps to confirm to Ofcom that complainants affected by the contravention, who were caused financial detriment (including due to paying for a service they no longer wanted) and/or other detriment due to the stress and inconvenience caused by hassle and associated delays, received appropriate redress.

Deadline

6.6 Virgin Media must have taken the above actions **within six months** of the Confirmation Decision.

Reporting requirements

6.7 So that we are able to verify that Virgin Media has taken the actions required to bring it into compliance and to remedy the consequences of the contraventions we have found, we are also requiring Virgin Media to report on the action it has taken.

6.8 We are requiring Virgin Media to provide an interim update on the required actions set out above within **three months of the Confirmation Decision**, and a full update within **seven months of it**. We intend to publish an update on these steps on Ofcom's website.

A1. Confirmation Decision under Section 96C

Section 96C of the Communications Act 2003

A1.1 Section 96C of the Communications Act 2003 (the "Act") allows the Office of Communications ("Ofcom") to issue a Confirmation Decision to a person where that person has been given a Notification under section 96A of the Act; that person has been given the opportunity to make representations about the matters notified, and the period allowed for the making of representations has expired. However, Ofcom may not give a Confirmation Decision to a person unless, having considered any representations, it is satisfied that the person has, in one or more of the respects notified, been in contravention of a condition specified in the notification under section 96A.

A1.2 A Confirmation Decision:

(i) must be given to the person without delay;

(ii) must include the reasons for the decision;

(iii) may require immediate action by the person to comply with the requirements of a kind mentioned in section 96A(2)(d) of the Act, or may specify a period within which the person must comply with those requirements; and

(iv) may require the person to pay:

(a) the penalty specified in the notification issued under Section 96A of the Act; or
(b) such lesser penalty as Ofcom considers appropriate in light of the person's representations or steps taken by the person to comply with the condition or remedy the consequences of the contravention; and;
(c) may specify the period within which the penalty is to be paid.

The General Conditions of Entitlement

A1.3 Under the regulatory regime set out in the Act, communications providers do not require a licence to operate in the United Kingdom, but they can be made subject to conditions of general application. The General Conditions of Entitlement ("General Conditions" or "GCs") are the regulatory conditions that all providers of electronic communications networks and services of a particular description specified for the respective General Conditions must comply with if they want to provide their services in the United Kingdom.

A1.4 Section 45(1) of the Act gives Ofcom the power to set conditions, including General Conditions, binding on the person to whom they are applied. General Conditions are imposed and amended from time to time. On 22 April 2025, a new set of General Conditions came into effect.

A1.5 GC C1 is an important consumer protection provision which sets out the conditions relating to contract requirements. GC C1.8 requires communications providers to ensure that their conditions and procedures for cancellation do not disincentivise customers from switching to a new provider.

A1.6 Specifically, GC C1.8 states: *"Without prejudice to any Commitment Period, Regulated Providers shall ensure that conditions or procedures for contract termination do not act as disincentives for Relevant Customers against changing their Communications Provider."*

Subject of this Confirmation Decision

A1.7 This Confirmation Decision is addressed to Virgin Media Limited, trading as 'Virgin Media', whose registered company number is 02591237, and any subsidiary of Virgin Media (as defined in section 1159 of the Companies Act 2006). Virgin Media Limited's registered office is 500 Brook Drive, Reading, United Kingdom, RG2 6UU.

Ofcom's previous Notification given to Virgin Media under section 96A of the Act

A1.8 On 25 June 2026, Ofcom gave a Notification under section 96A of the Act (the section 96A Notification) to Virgin Media as Ofcom had reasonable grounds for believing that, between 1 January 2022 and 11 September 2024, Virgin Media contravened General Condition C1.8 by having in place procedures for contract termination which acted as a disincentive by causing customers on millions of calls unreasonable effort, hassle and undue difficulty when trying to switch to another provider.

A1.9 The Section 96A Notification also specified the penalty that Ofcom was minded to impose on Virgin Media in respect of its contravention of GC C1.8 and set out the steps that Virgin Media should take to come into compliance.

A1.10 The Section 96A Notification allowed Virgin Media the opportunity to make representations to Ofcom about the matters set out in the Section 96A Notification.

Confirmation Decision given to Virgin Media under section 96C of the Act

A1.11 Accordingly, Ofcom is satisfied that Virgin Media has contravened GC C1.8 as follows.

A1.12 During the Relevant Period, Virgin Media's procedures for contract termination caused customers on millions of calls unreasonable effort, hassle and undue difficulty when trying to switch to another provider. We have found that these procedures acted as a disincentive to switch by delaying or preventing customers from taking advantage of a competitor's offer and, in doing so, undermined the fundamental purpose of GC C1.8.

A1.13 These procedures are:

(i) Procedures, in the form of its internal processes or procedures, which involved or resulted in Retention Agents engaging in the following five behaviours (which we refer to collectively as the 'Relevant Behaviours'):

(a) Inappropriate and/or excessive retention attempts: By continuing to make 'save' attempts to retain the customer, (including by asking questions about the customer's use of services, making counter offers and responding to customer objections) when the customer had made it clear they wanted to cancel, in some cases repeatedly.

(b) Unnecessary and/or excessive transfers: By transferring customers unnecessarily and/or excessively to other departments and between Retention Agents, in some cases repeatedly.

(c) Excessive and/or repeated use of hold: Placing customers on hold or otherwise pausing a call (including through silent time or mute) for an excessive period of time and/or repeatedly (in each case, where it was not necessary and/or used to delay or avoid a disconnection).

(d) Deliberately dropping calls: By prematurely ending calls before a customer's request to cancel could be actioned.

(e) Failing to log and/or process disconnection requests: By not logging and/or processing a disconnection that had been agreed and communicated to the customer; and

(ii) The existence of a process whereby many customers who called to cancel could not have their cancellation processed in their first conversation with a Retention Agent, but were instead transferred to another agent described as working in a separate 'cancellations' (or similar) department who repeated the same conversation as the first but could process the cancellation (what we refer to as the 'two-tier cancellation process').

A1.14 In relation to the Relevant Behaviours, we have found that Virgin Media allowed and encouraged the use of the Relevant Behaviours during the Relevant Period for the following reasons which we consider amount to procedures:

(i) Virgin Media implemented a commission scheme which effectively encouraged and financially rewarded Retention Agents for retaining customers by engaging in the Relevant Behaviours.

(ii) Virgin Media's training and guidance was insufficient and/or ineffective in terms of its scope, content and/or implementation to the extent it failed to prevent customers from being subject to the Relevant Behaviours.

(iii) The quality assurance and monitoring processes Virgin Media had in place during the Relevant Period were insufficient and/or ineffective in terms of their scope and/or implementation to the extent they failed to prevent, identify effectively and/or address the Relevant Behaviours.

(iv) Virgin Media had insufficient control, visibility and/or oversight over the third-party partners it entrusted to operate its call centre and quality monitoring functions.

A1.15 In relation to Virgin Media's two-tier cancellation process, we have found that this procedure meant that customers who had clearly expressed their intention to cancel to a Tier 1 Retention Agent faced the inherent obstacle of being transferred to a Tier 2 Retention Agent, repeating a very similar process, in order to stand a chance of progressing their cancellation request. Virgin Media also financially incentivised Tier 1 Retention Agents to transfer an arbitrarily low proportion of customers to Tier 2 meaning customers who had clearly expressed their intention to cancel were not transferred to Tier 2 or may have faced additional obstacles in being transferred. In doing so, we have found that Virgin Media reinforced and exacerbated the obstacles put in place by its two-tier cancellation process, particularly as it did not monitor whether or not customers should have been transferred from Tier 1 to Tier 2.

A1.16 We have found that these procedures individually and/or collectively had an impact on consumer behaviour and likely acted as a disincentive to switch for customers on millions of calls – and there is direct and contemporaneous evidence in complaints that these procedures did, in fact, act as a disincentive to switch for at least 649 customers – by delaying or preventing them from taking advantage of a competitor's offer. We have therefore concluded that Virgin Media had procedures in place during the Relevant Period which acted as a disincentive for customers against switching to another provider in breach of GC C1.8.

A1.17 Ofcom has therefore decided to give Virgin Media this Confirmation Decision confirming its contravention of GC C1.8.

A1.18 The extent of this contravention and the full reasons for Ofcom's decision are set out in the explanatory statement to which this Confirmation Decision is annexed.

Actions required by Virgin Media

A1.19 We recognise that Virgin Media has taken, and is taking, a number of positive steps to address our concerns. We also recognise that Virgin Media has advised that it has resolved complaints about difficulty cancelling – both those made to it directly and to Ofcom (where the customer agreed to Ofcom sharing their personal details with Virgin Media).

A1.20 Taking this into account, we require Virgin Media to take the following steps to bring itself into compliance with GCs C1.8:

(i) In relation to its internal procedures:

(a) Review and update its mandatory training and other learning materials to ensure that they set clear behavioural expectations for Retention Agents (including by instructing against the use of the Relevant Behaviours) and provide appropriate advice and guidance on how to avoid actions or practices that could form part of one or more of the Relevant Behaviours.

(b) Review its monitoring processes to ensure it can, and does, identify any instances where Relevant Behaviours still occur and takes appropriate steps if they do. It should consider introducing more systematic ways of identifying these issues, noting for example the positive (albeit limited to short durations) alert system for dropped calls and its approach to Churn Feedback as a mechanism for identifying failures to process disconnections (including the Team Manager's role in validating such feedback).

(c) Review its approach to internal governance including senior level engagement where compliance issues are identified to ensure it is considering and responding appropriately where concerns are raised.

(d) Ensure that it keeps appropriate records of documents, and that complete, accurate and consistent information is provided to Ofcom in response to statutory information requests.

(e) Review its oversight of third-party partners, as it remains responsible for the activities those third parties carry out on its behalf and compliance with any applicable rules, including to ensure:

- they are aware of, and receive appropriate training on, the consumer protection measures which they need to comply with and have appropriate systems and processes in place to ensure this;
- they take appropriate follow-up action, including formal disciplinary action, where any potential non-compliance is identified, in line with Virgin Media's policies and expectations; and
- they implement and maintain an appropriate data retention policy.

(ii) In relation to affected customers, confirm to Ofcom that complainants – who made complaints to Ofcom and/or to Virgin Media directly – affected by the contravention, who were caused financial detriment (including due to paying for a service they no longer wanted) and/or other detriment due to the stress and inconvenience caused by hassle and associated delays, received appropriate redress.

A1.21 Virgin Media must complete the steps specified in paragraph A1.20 above by **8 January 2027.** Virgin Media must also provide a written interim update on the required actions specified in paragraph A1.20 above by **8 October 2026**, and a full update confirming it has completed the required actions by **8 February 2027**.

A1.22 Under section 96C(6) of the Act, the duty to comply with any requirement imposed by a Confirmation Decision is enforceable in civil proceedings by Ofcom for an injunction, for specific performance or other appropriate remedy or relief.

Financial penalty

A1.23 Ofcom has decided to impose a penalty of £28 million on Virgin Media in respect of the contravention of GC C1.8. This penalty includes a 30% discount on the penalty figure of £40 million which we would have otherwise imposed, as a result of Virgin Media's admission of liability and agreement to settle the case with Ofcom.

A1.24 Ofcom requires Virgin Media to pay that penalty to Ofcom by no later **two months** from the date of this Confirmation Decision. If not paid by that deadline, it can be recovered by Ofcom accordingly under Section 96C(7)(b) of the Act.

Interpretation

A1.25 Except insofar as the context otherwise requires, words or expressions used in this Confirmation Decision have the meaning assigned to them in this Confirmation Decision and otherwise any word or expression shall have the same meaning as it has been ascribed for the purposes of the General Conditions or the Act.

Signed by:

Rebecca Bamford
Principal, Enforcement

A person duly authorised by Ofcom under paragraph 18 of the Schedule to the Office of Communications Act 2002

8 July 2026

A2. Analysis of CCT complaints and associated call recordings

A2.1 This Annex sets out our analysis of complaints made to Ofcom's Consumer Contact Team ('**CCT**')[479] by Virgin Media customers who experienced difficulty cancelling and a sample of associated call recordings provided by Virgin Media. It is split into four sub-sections:

(i) Complaint statistics;

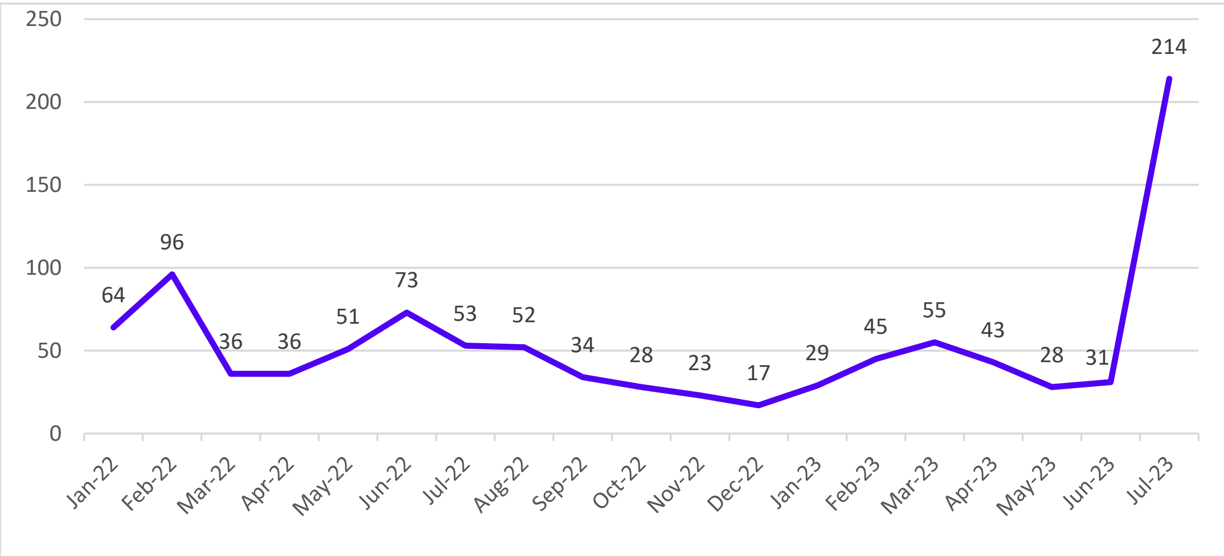
(ii) Our approach to analysing CCT complaints and associated Virgin Media call recordings;

(iii) Evidence of Relevant Behaviours and the two-tier cancellation process; and

(iv) Impact on consumer behaviour and customer harm.

Complaint statistics

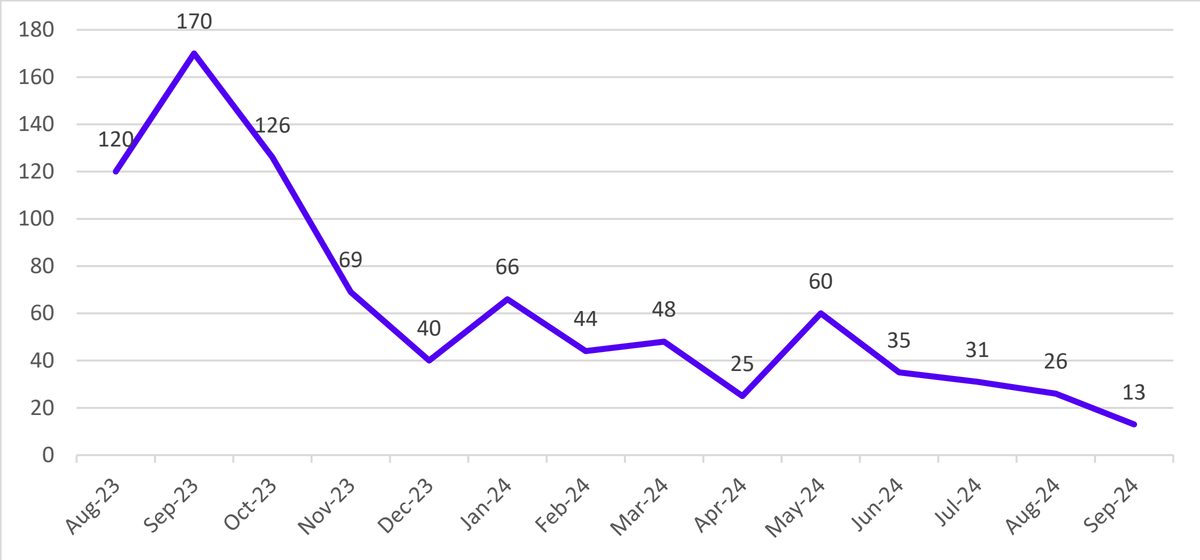
A2.2 Ofcom's CCT received 1,881 complaints from Virgin Media customers about 'difficulty cancelling' during the Relevant Period (i.e. 1 January 2022 to 11 September 2024).[480] Figures 1 and 2 below show the monthly volume of complaints.



Annex 2, Fig. 1 – Number of complaints per month from January 2022 up to and inclusive of July 2023

[479] Ofcom's Consumer Contact Team handles complaints from members of the public about providers of services that we regulate and logs them for monitoring purposes.

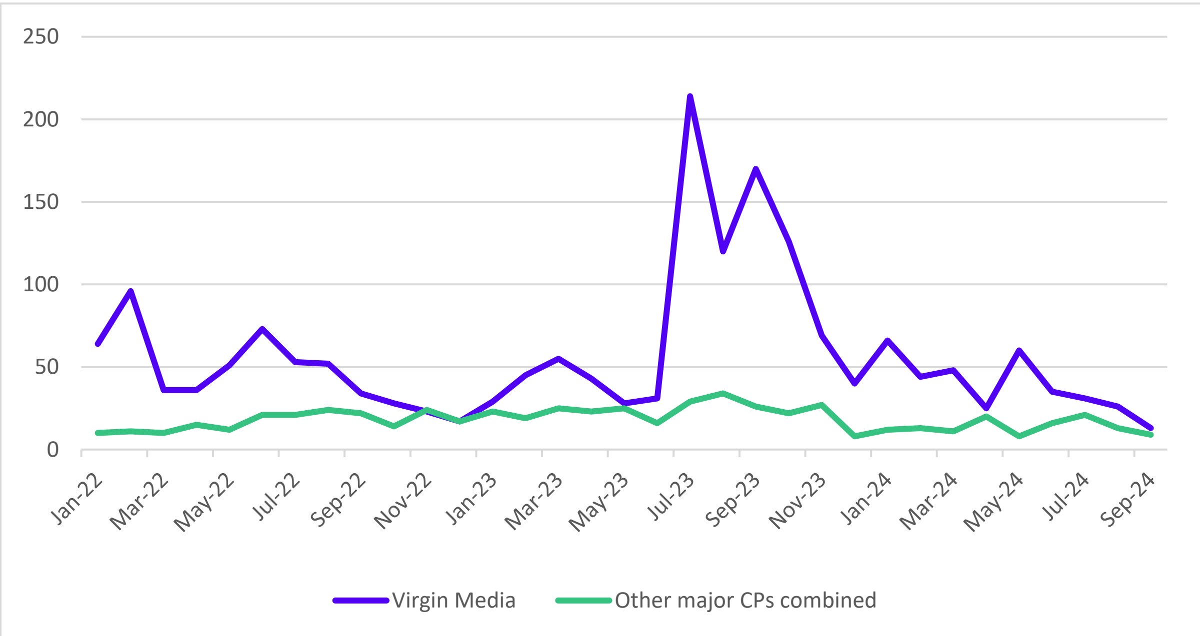
[480] Experiences customers reported about attempts to cancel made outside of the Relevant Period are not included.



Annex 2, Fig. 2 – Number of complaints per month from August 2023 up to and inclusive of 11 September 2024.

A2.3 The publication of the launch of our investigation prompted a large uptake in complaints, most of which related to customer experiences during the Relevant Period.

A2.4 The chart below shows the monthly volume of 'difficulty cancelling' CCT complaints received for Virgin Media, compared with monthly volumes for other major providers combined.[481]



Annex 2, Fig. 3 – Chart showing monthly volume of 'difficulty cancelling' complaints about Virgin Media versus other major providers combined.

[481] In determining which major providers to include in this comparison, we have included providers with a stable market share of 1.5% or more in the relevant market. We have included providers of fixed broadband and landline including bundled services.

Our approach to analysing CCT complaints and associated Virgin Media call recordings

Complaints

A2.5 CCT complaints provide direct and contemporaneous evidence of customers having experienced the Relevant Behaviours and/or the two-tier cancellation process on a widespread basis. It is our view that the high volume of complaints demonstrates the existence and use of the two-tier cancellation process and Relevant Behaviours. These complaints also illustrate the impact Virgin Media's procedures had on these customers (which is indicative of the impact its procedures are likely to have had on the much wider total number of customers affected). As set out above in Section 4 at paragraph 4.134, we consider that many more customers on millions of calls likely experienced the Relevant Behaviours and/or two-tier cancellation process. We have identified many complaints where customers – who had complained about difficulties cancelling their fixed line, broadband or bundled services with Virgin Media – clearly described experiencing at least one of the Relevant Behaviours and/or the two-tier cancellation process during a Voice call or calls to Virgin Media's Retention Team.

A2.6 We have also identified complaints where the customer described at least one of the Relevant Behaviours and/or the two-tier cancellation process but did not explicitly say (or was not sufficiently clear on the face of the complaint) that it was experienced during a Voice call. We include these complaints in our analysis because we consider it likely that many of them will have been via Voice versus other methods of contact. We also consider it likely that many of the other complaints we received that raised concerns about difficulties cancelling more generally – but that did not provide sufficient detail about the method of contact used and the specific barrier or issue faced – experienced at least one of the Relevant Behaviours and/or two-tier cancellation process.

A2.7 In considering which complaints to focus on, we have made reasonable assumptions such as:

(i) Most customers who complained about experiencing difficulties cancelling their services with Virgin Media's Retention Team were likely to have had a continuing need for services and therefore were 'switching' – many indicated explicitly that they were wanting to switch or had taken up services with a new provider.[482]

(ii) Customers may describe the Relevant Behaviours and/or the two-tier cancellation process in a range of ways. For example, rather than a *"dropped call"*, a customer may have described being *"disconnected"* or *"hung up on"*.

[482] Complaints that did not relate to switching, for example where the customer was requesting cancellation due to a bereavement or a move abroad, were not included.

A2.8 In total, we have identified:[483]

(i) **649 'Core' complaints**: Complaints where the customer clearly described experiencing at least one of the Relevant Behaviours and/or the two-tier cancellation process during a call or calls to Virgin Media's Retention Team.[484]

(ii) **200 'Secondary' complaints**: This includes:[485]

(a) Complaints where the customer used the Voice method of contact but the precise nature of the barrier(s) they faced is unclear, though they express difficulty cancelling via this contact method more broadly; and

(b) Complaints where the customer experienced at least one of the Relevant Behaviours and/or two-tier cancellation process, but it is not clear from the wording of the complaint under which contact method the Relevant Behaviour(s) and/or the two-tier cancellation process occurred.

(iii) **94 'Additional' complaints**: Complaints where the customer expressed difficultly cancelling generally but it was not clear what contact method the customer used or what the exact barriers to cancellation they faced were.

Virgin Media call recordings

A2.9 As part of the Third Information Request (issued on 6 November 2024), we requested call recordings from Virgin Media for a number of customers who had made a CCT complaint between 1 August 2023[486] and 29 February 2024 inclusive. This was not designed to be a representative sample (recognising that complaints are self-selecting in nature). Instead, we sought to understand customer experiences of the two-tier cancellation process and Relevant Behaviours in more detail from additional direct and contemporaneous evidence.

A2.10 In order to achieve a range of call recordings, 81 CCT complaints were identified for the purposes of the request, representing those received by CCT in the first week of each month of the above period. In response to our request, Virgin Media provided 156 call recordings of customer conversations relating to 61 unique customers,[487] which was fewer than expected due to Virgin Media being unable to provide all of the records requested.[488] This meant that

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[483] These complaints were logged under the category of 'difficulty cancelling' – one of the categories that Ofcom's CCT uses to record complaints. It is possible that some complaints relating to this issue were logged under a different complaint category – we have not included these. Complaints that were only about other types of barriers or behaviours – for example, difficulties in reaching a Retention Agent – are not included.

[484] In the below sections, we refer to these complaints as 'Core' complaints. Where we present or cite example complaints in footnotes or as quotations in boxes, these are 'Core' complaints unless specified otherwise. In some cases, customers also raised concerns about attempts to cancel via other contact methods – however, these are not included in our analysis below.

[485] Where we use or cite examples of 'Secondary' complaints in the below sections, we expressly identify them as such.

[486] In a meeting between Virgin Media and Ofcom on 27 February 2024, Virgin Media confirmed that it had decided to suspend the automatic deletion of any audio call recordings from 23 August 2023 onwards.

[487] The request and Virgin Media's response included call recordings of outbound calls and transcripts of webchat and WhatsApp customer conversations and complaint letters - these have not been included in our findings as we focus on calls customers made to Virgin Media's Retention Department.

[488] Virgin Media said some of the records were unavailable due to being deleted due to the presence of Payment Card Information and that others were unavailable due to "*technical difficulties*". We set out our concerns about missing information in the context of the Third Information Request at Annex 3.

we often did not have call recordings that related to any or all of the attempts to cancel that a customer had referenced in their CCT complaint, although in some cases call recordings of later attempts to cancel were provided.

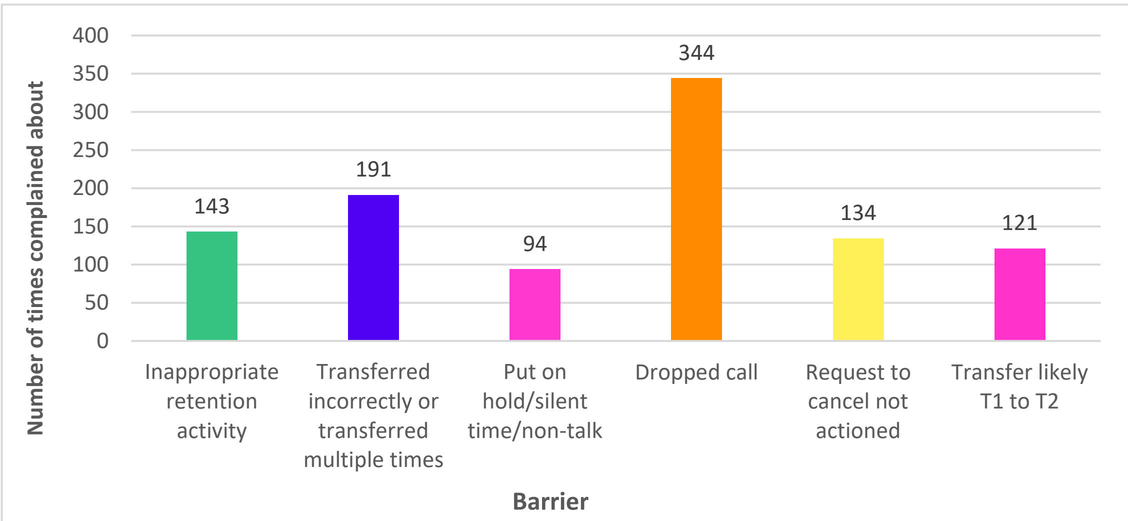
A2.11 After removing recordings of calls which did not relate to a cancellation request, we identified 47 calls relating to 25 unique customers where the customer experienced at least one of the Relevant Behaviours and/or the two-tier cancellation process. We found that call recordings indicated that 13 of these customers experienced more than one barrier and/or experienced the same barrier more than once during their attempt to disconnect their services with Virgin Media. We identified a number of instances of Relevant Behaviours: (i) six instances of inappropriate retention activity; (ii) seven relating to unnecessary and/or excessive transfers; (iii) seven instances of unnecessary and/or excessive use of hold; (iv) five dropped calls; and (v) six instances of requests to cancel not being actioned. We also identified instances of customers being subject to the two-tier cancellation process in 13 call recordings relating to seven customers. We reference these below, listed as examples or in the context of 'case studies' (where we refer to an excerpt of a transcript of a call recording). We have not described or categorised call recordings as 'Core' or 'Secondary'.

Evidence of Relevant Behaviours and the two-tier cancellation process

A2.12 In the paragraphs below, we summarise our findings in relation to evidence of customer experiences of the two-tier cancellation process and the five Relevant Behaviours from complaints and call recordings.

Overview

A2.13 As illustrated by Figure 4 below, we have found that, across the 649 'Core' complaints, the Relevant Behaviours and two-tier cancellation process were experienced 1,027 times. This also illustrates how some customers experienced more than one of these barriers while trying to cancel.



Annex 2 Fig. 4 – A chart showing the volume of 'Core' complaints about the six main concerns during the Relevant Period.

A2.14 We refer to individual complaints in the sections below.

Transfers (via the two-tier cancellation process or unnecessary and/or excessive transfers)

A2.15 Due to the two-tier cancellation process being internal to Virgin Media, it is unlikely that customers were aware of it. It was therefore not always possible to establish whether the transfers that customers referred to in complaints were ones from Tier 1 to Tier 2 or from either Tier to other departments within Virgin Media.

A2.16 However, 121 'Core' CCT complaints and three 'Secondary' CCT complaints described being transferred to *"retentions"* or "*cancellations*" (or similar). We consider that these complaints are likely to have been referring to having experienced the two-tier cancellation process. Some of these customers mentioned being told by the first agent they spoke to that they were unable to process the cancellation before they were transferred or told that they had to be transferred in order to arrange their cancellation,[489] including those who expressly said in their complaints that this was despite the fact they had selected the cancellation option on the IVR.[490] Some customers also described speaking to more than one agent in the 'retention' team or having to be transferred to the 'cancellation' (or 'disconnections') team in order to progress their cancellation[491] with a number of these customers mentioning that they had been on the phone for a prolonged period of time [492]to get to the department that was able to process a cancellation.[493] For example:

<u>CCT complaint example 1</u>

"I have been trying to cancel my contract with Virgin Media. I originally tried the online chat which was given as an option for cancellation on VirginMedia's website. I was told that I would need to speak to someone to cancel and the wait time was 46 minutes. After an hour the online chat stopped responding.

Instead I called VirginMedia. Despite having selected the menu option for cancellation it was clear that I had been but [put] *through to the "retention team" and they did not have the ability to process my cancellation. I was then put through to a cancellation team where I was required to give all the information I had given to the previous operator. At this point the operator hung up on me.*

I called for a second time and had to go through the same process. After finally getting to the cancellation team I was this time told that I couldn't cancel my contract without giving a

[489] See, for example, CCT reference CCT-003, 13 January 2022; CCT reference CCT-006, 29 January 2022; CCT reference CCT-121, 7 September 2023.
[490] See, for example, CCT complaint example 1 at paragraph A2.16; and CCT reference CCT-039, 24 June 2022.
[491] See, for example, CCT reference CCT-117, 27 August 2023; CCT reference CCT-169, 21 March 2024; CCT reference CCT-156, 29 December 2023; CCT reference CCT-053, 3 September 2022; CCT reference CCT-088, 2 June 2023.

[493] See, for example, CCT reference CCT-035, 20 June 2022; CCT reference CCT-089, 7 October 2023; CCT reference CCT-109, 22 July 2023.

reason. I cannot see any requirements under the terms and conditions to give a reason. I was then placed on hold a further two times before my cancellation was finally processed.

The total time taken for me to cancel my contract was more than two hours. It seems obvious to me that Virgin Media [are] *deliberately make the process of changing to a new provider as difficult as possible and this represents an anti-competitive practice."*[494]

CCT complaint example 2

"Spent nearly 2 hours on phone trying to cancel contract at end term (giving 30 days notice). 3 different agents all transferred or tried to transfer [the] *call. 2nd agent claimed he couldn't carry out cancellation and that I'd said I was leaving due to price – both of which were untrue (former confirmed by 3rd agent). Was on hold for approx 40mins between 2nd and 3rd agent, both of whom said they were the retention department despite the previous agents telling me they were transferring me to cancellations."*[495]

A2.17 Call recordings show one customer being transferred from Tier 1 to Tier 2 after the customer had made a complaint to Ofcom that they were struggling to get through to Virgin Media.[496] Other call recordings show another customer being subject to a Tier 1 to Tier 2 transfer, alongside inappropriate retention activity at Tier 2 which appears to cause the customer significant frustration.[497]

A2.18 191 'Core' complaints and 22 'Secondary' complaints referenced being transferred more generally – either being transferred to what they considered to be the wrong department (such as to another team or agent who could not process the cancellation request) and/or being transferred numerous times between agents or departments.[498] For example:

CCT complaint example 3

"Needed to cancel my fibre broadband contract as my fixed term had ended and they hiked the price by £23.25 to a total of £47.25. Tried to cancel via online account first but the only way of doing so was a live chat, every link to it was broken. Had to phone up and was on the phone for 1 hour and 10 minutes with them. Was 40 minutes before I spoke to anybody and then whenever I said I wanted to cancel my contract they would move me to another department and with another waiting time. They moved me between moving home and retentions 6 times despite me explaining each time I just needed to cancel. Call ended when they just hung up on me after putting me on hold for the 7th time, still without any

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[494] CCT reference CCT-150. We note that this example also refers to a deliberately dropped call (see from paragraph A2.36 below) and unnecessary and/or excessive use of hold (see from paragraph A2.30 below).
[495] CCT reference CCT-111, 31 July 2023.
[496] Call recordings VMCR-04-001 and VMCR-04-002, 5 September 2023. The transfer is split over two call recordings, although it appears this was one customer call.
[497] Call recordings VMCR-26-007 and VMCR-26-008, 7 January 2024. The transfer is split over two call recordings, although it appears this was one customer call.
[498] See, for example, CCT reference 01404644, 8 January 2022; CCT reference CCT-011, 7 February 2022; CCT reference CCT-105, 17 July 2023; CCT reference CCT-180, 16 July 2024. We note that customers who described being 'passed around' or speaking to multiple different departments may have spoken to Tier 1 and Tier 2 Retentions as part of this, but they did not specify this within the complaint.

acknowledgement that I'd notified them I was withdrawing from the contract. Seems like a deliberate attempt to frustrate me into accepting [a] *higher price."*[499]

A2.19 Multiple customers who experienced a transfer of any type also mentioned that they had to repeat security questions and/or were offered additional deals with the agent they were transferred to, despite having completed security previously and having declined previous offers because they wished to cancel.[500] Some customers who appear to have described experiencing Tier 1 to Tier 2 transfers also described their call being dropped and having to restart the process by calling back and completing security.[501]

A2.20 Several customers mentioned being effectively passed around to different departments or agents,[502] with some customers describing being *"passed* [from] *pillar to post"*.[503] Some of these customers described feeling as though nobody was taking ownership of their cancellation request.[504] The below example describes the customer being passed between agents with no result:

CCT complaint example 4

"Virgin media seem to be making it very diifcult [sic] *and time consuming to cancel my contract. After an hour of being bounced around phone operatives who only try to re-sell me services, I ask to cancel and they forward me elsewhere. On the 3rd operative I asked them specifically to end the contract they then just cut me off and ended the call."*[505]

A2.21 Many customers reported being transferred to the wrong department,[506] with some stating they were transferred to the *"movers"* department which they felt was not the correct team for their request.[507] For example:

CCT complaint example 5

"I have been trying to cancel my virgin media contract all day today. THey have an excellent online system for acquiring new packages, buying, starting and spending more money, however, the process to cancel is very manual and near on impossible. The phone lines; i have rang 3 times today, the robot sends you through security questions which dont exist (widely reported) and only asks them in the cancellation route, not the upgrade or sales route!!. Then when you arrive at a person, (after 1 hr +) they will explain you are in the wrong department and will transfer you to the moving department (not the [c]*orrect department) . At this point, you will be briefly on hold, and then the line will cut out and they hang up on you. If you tell*

[499] CCT reference CCT-083, 24 April 2023. We note that this example also refers to deliberately dropping calls and unnecessary and/or excessive use of hold.
[500] See, for example, CCT reference CCT-014, 12 February 2022; CCT reference CCT-033, 13 June 2022; CCT reference CCT-079, 13 April 2023.
[501] See, for example, CCT reference CCT-166, 11 March 2024; CCT reference CCT-116, 22 August 2023.
[502] See, for example, CCT reference CCT-019, 10 March 2022; CCT reference CCT-132, 22 September 2023; CCT reference CCT-008, 1 February 2022.
[503] See, for example, CCT reference CCT-091, 7 August 2023; CCT reference CCT-093, 10 August 2023; CCT reference CCT-094, 20 June 2023; CCT reference CCT-104, 14 July 2023.
[504] See, for example, CCT reference CCT-021, 22 March 2022; CCT reference CCT-085, 26 April 2023.
[505] CCT reference CCT-049, 9 August 2022. We note that this example also refers to deliberately dropped calls (see from paragraph A2.36 below).
[506] See, for example, CCT reference CCT-130, 18 September 2023; CCT reference CCT-164, 20 February 2024; CCT reference CCT-149, 14 October 2023.
[507] See, for example, CCT reference CCT-037, 23 June 2022; CCT reference CCT-165, 7 March 2024.

them you are in the right place and dont want to be transferred, they say; hold on one moment, and then the line goes dead and they hang up." [508]

A2.22 One call recording shows a customer that had been transferred multiple times but had not been able to reach an agent who could process the disconnection despite having been on the call for *"nearly two hours"*:[509]

<u>Call recording example 1</u>

Customer: *Are you the department that can cancel my Virgin?*

Retention Agent: *You wanted to cancel your account?*

Customer: *Yeah. Yeah.*

Retention Agent: *Oh, I'm really sorry to hear that. Basically, if you wanted to cancel your account, it's already out of my scope, which is, it will be, should be connected to our pre-install team to cancel. Would you like me to speak to them?*

Customer: *I've been through them. I've been through to them. They've put me through to retentions. Retentions have put me through to you. I've been on the phone for nearly two hours now.*

Retention Agent: *I'm really sorry, Mr [redacted], that you've been connected over and over again and it was not resolved.*

Customer: *My partner says what's your address, because we're just going to send you the stuff back. It does not work, and I'm trying to cancel… I'm going to cancel the direct debit. I'm sick of this now. I've wasted all of my afternoon on the phone to you for hours.*

Retention Agent: *I'm really sorry to hear this, [redacted]. I know that it's been frustrating to become connected over and over again and the issue was not resolved.*

Customer: *Frustrating? I've been on it since half one. You've cut me off five times. I get one day off a week and this is how I'm spending it because your service don't work.*

Retention Agent: *I'm really sorry.*

Customer: *So, which department are you going to send me to now? I'm sorry, but which one is it?*

Retention Agent: *It's… I can connect you over to our pre-install team to cancel your services., or to cancel the contract you…*

Customer*: Are they actually going to cancel it? Because they won't cancel me.*

Retention Agent: *To the pre-install team? Let me double check.*

Customer: *Yeah, but just put me on to retentions.*

Retention Agent: *Hold on, bear with me. I will speak to them…*

[508] CCT reference CCT-028, 13 May 2022. We note that this example also refers to deliberately dropped calls (see from paragraph A2.36 below).

[509] The customer states within this call recording that they had been on the phone for *"nearly two hours"* at that point. As there are several call recordings for this customer that were not provided by Virgin Media, and call recording lengths do not take into account queue times to speak to agents and in between transfers, we cannot verify the total time the customer spent on the phone calls.

Customer: *Oh, don't put me on hold for another hour.*

Retention Agent: *I'm really sorry.*

[the customer complains about the length of time the process has taken, with the Retention Agent apologising and saying they are trying to get a live representative for him to speak to]

Customer: *Because if they're not going to do it, it is going to Ofcom because I've been, like I said, since half one (Inaudible) and you're just passing it to another department, another department. I want it sorted now, or I'm off to Ofcom and taking it further, because I'm sick of yourselves.*[510]

A2.23 A number of call recordings showed customers being transferred incorrectly, such as being transferred to the Movers department when the customer was not moving house.[511]

Inappropriate retention activity

A2.24 143 'Core' complaints and 20 'Secondary' complaints described being subject to behaviour that we consider likely to amount to inappropriate retention activity (namely, the agent continuing to make save attempts when the customer had made clear they wanted to cancel, for example by making offers). Many of these customers explained that they had either already signed a contract with a competitor or otherwise made their decision to cancel.[512]

A2.25 Many complainants described being subject to pushy sales tactics or agents not taking no for an answer and/or having to ask multiple times to cancel only for the Retention Agent to offer another deal.[513] For example:

CCT complaint example 6

"I recently finished a[n] 18 month contract with Virgin media for home fibre broadband. I have signed up with another provider and called virgin to cancel. It took a while to get through and when I did i was transferred to a termination team who then spent 25 minutes refusing to confirm the contract was being cancelled and trying to persuade me to stay with virgin media. I was put on hold a couple of times and each time the call handler came back and told me that I would regret my decision and that the other provider would give a worse service etc. I repeatedly told them to terminate the contract and they refused to confirm and just tried to sell me a new contract. It was incredibly pressured. I ended up hanging up and sent a formal written complaint as it was clear they weren't going to do what I asked. I have a brother with disabilities and given how awful this company had been for me I hate to think of how they must abuse and exploit vulnerable people."[514]

[510] Call recording VMCR-08-003, 7 September 2023.
[511] Call recordings VMCR-22-004, 16 October 2023; VMCR-26-004, 6 January 2024; VMCR-33-003, 2 January 2024; VMCR-01-006, 30 December 2023; VMCR-07-007, 2 October 2023; VMCR-60-002, 2 October 2023.
[512] See, for example, CCT reference CCT-086, 4 May 2023; CCT reference CCT-048, 8 August 2022 CCT reference CCT-148, 12 October 2023; CCT reference CCT-067, 20 February 2023.
[513] See, for example, CCT reference CCT-063, 15 January 2023; CCT reference CCT-026, 6 May 2022; CCT reference CCT-057, 23 October 2022, CCT reference CCT-074, 9 March 2023. CCT reference CCT-114, 18 August 2023.
[514] CCT reference CCT-066, 5 February 2023. We note that this example also refers to unnecessary/excessive use of hold (see from paragraph A2.30 below).

A2.26 The majority of customers who described inappropriate retention activity also experienced one or more other barriers (i.e. another Relevant Behaviour and/or the two-tier cancellation process) as part of their cancellation journey.[515] For example:

> **<u>CCT complaint example 7</u>**
>
> *"I rang up today to cancel my broadband order and i'm within the 14 days since ordering.*
>
> *I spent 30 mins on the phone between 3 departments and got hung up on.*
>
> *I then went through whatsapp chat who reccomended* [sic] *I call the Cancellation team.*
>
> *I called them and spent 1hours 58 minutes 😭 of being questioned and not being allowed to cancel my contract, by [✂]. He lied to me multiple times, saying that he was processing the cancellation, would then put me on hold for 15/20 minutes and then return to his questions and offers, without allowing me to progress. Even after agreeing that the cancellation had gone through, he then proceeded to try to sell me a different virgin package. I repeatedly expressed how stressed and anxious I was feeling.*
>
> *He then said that the cancellation had been processed and that I would have a confirmation email within the hour.*
>
> *I've not had an email and I really need to have confirmation that this is cancelled and closed.*
>
> *I am too anxious about calling again, as I don't want to have to go through an hour of questioning just to simply cancel an order. Please, can someone help me on this?"* [516]

A2.27 Some customers said that during retention conversations, if they insisted that they wished to cancel, the call was terminated by the Retention Agent which meant they had to start the process again.[517] For example:

> **<u>CCT complaint example 8</u>**
>
> *"Dreadful experience trying to cancel my Virgin Media contract. At all times of the day from 8.30am through to 6.00pm the helpline always states that we are experiencing high call volumes which must mean that they are always understaffed. On the 7th September 2023, I managed to get through to Virgin Media after a 40 minute hold, I was bombarded with alternative deals when I very clearly stated from the beginning I wish to cancel with no discussion. When the lady finally realised I wished to cancel ... she hung up ! .... This then happened again after taking 30 minutes to get through."* [518]

A2.28 The customer in the case study below expressed concern in their CCT complaint about how long and difficult they found the cancellations process; the associated call recording shows inappropriate retention activity when the customer had repeatedly made clear they wanted to cancel as they had already taken up a contract with another provider:

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[515] See, for example, CCT reference CCT-081, 19 April 2023; CCT reference CCT-091, 7 August 2023; CCT reference CCT-112, 1 August 2023; CCT reference CCT-178, 20 June 2024.

[516] CCT reference CCT-058, 1 November 2022. We note this complaint also refers to deliberately dropped calls, unnecessary and/or excessive use of 'hold' and unnecessary and/or excessive transfers.

[517] See, for example, CCT reference CCT-077, 30 March 2023; CCT reference CCT-158, 2 January 2024; CCT reference CCT-181, 17 July 2024; CCT reference CCT-031, 18 May 2022

[518] CCT reference CCT-123, 8 September 2023. We note that this complaint also refers to deliberately dropped calls (see from paragraph A2.36 below).

<u>Case study 1</u>

CCT complaint

"…When the consumer got through to an agent she advised him to cancel the contract and he did not action the cancellation straight away. The agent offered her different packages and then eventually advised that a letter would be sent out and some jiffy bags to return the equipment. The consumer is unhappy with how long and difficult she found the cancellations process."[519]

Virgin Media call recording

Retention Agent: *I'll give you the option but if you were to change to weekend calls on the phone, same broadband, you can get that to £35 a month is what we could offer on that, or*

Customer: *No, thanks. It's way cheaper what I've already taken up with somebody else. I really just want it cancelled, I've got to get back to work and this has taken my whole morning so far.*

Retention Agent: *What's the other deal that you're getting?*

Customer: *What? It's £20. It's £20. Can you just cancel though, please? Hello?*

Retention Agent: *I was just checking about (inaudible) for 50mb because obviously it'd be about 60.*

Customer: *I just want it cancelled. I just want it cancelled. I've already gone with another service provider. I can't be clearer. Please just cancel me.*

Retention Agent: *Well, it's just, it could be a lesser speed is what you're getting (inaudible)*

Customer: *You don't know what I'm getting. I just want my contract with Virgin Media cancelled.*

Retention Agent: *Well, it's just, it's only about 60mb is what you'll get in your area, but…*

Customer: *Listen, what do I have to do to cancel my contract? You can't hold me in. I've spent an hour trying to cancel. I'll just have to do it via Ofcom if this doesn't happen now, please.*

Retention Agent: *See, it's just going to be a lesser speed. It's going to be a bit less money, I guess. But broadband through a BT phone line rather than with a cable connection like you're on at the moment.*

Customer: *It's not, it's not, it's not that. I just want you to cancel my contract. What's going on here? Why aren't you listening to me?*

Retention Agent: *Well, I am. We'd obviously like to keep you on as a customer, but it's just going to be a different type of broadband.*

Customer: *I don't want you to be anymore. I want to get off the phone knowing that my contract is cancelled. Is that happening now? Are you doing it?*

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[519] CCT reference CCT-128, 07 November 2023. This complaint has been summarised by the CCT based on the verbal account from the customer. This complaint is categorised as an 'Additional' complaint. The associated call recording with this complaint, VMCR-34-001, indicates that the customer contacted Virgin Media via telephone and evidences inappropriate retention activity.

> [The call recording ends with the Retention Agent agreeing to arrange the disconnection and the customer requesting written confirmation of this, which the Retention Agent agrees to.][520]

A2.29 A number of other call recordings evidenced similar instances of inappropriate retention activity. These show firsthand the experience of customers in trying to have a cancellation processed but the Retention Agent making continuous offers to persuade the customer to stay.[521]

Excessive and/or repeated use of 'hold'

A2.30 During analysis of customer complaints, some customers used the term *"hold"* to describe what appeared to be being placed in the queue to speak to an agent and we have therefore not included CCT complaints where we consider it likely to relate to such circumstances. We have, however, included complaints by customers where they were put on hold during a conversation with a Retention Agent (or it appears likely that they were) or where they stated that the Retention Agent went quiet, or they were put on *"mute"*.

A2.31 A total of 93 'Core' complaints and one 'Secondary' complaint mentioned being put on hold by a Retention Agent or the conversation otherwise being paused by the Retention Agent (through silent time or mute).[522] For example:

> **CCT complaint example 9**
>
> *"…I would constantly be put on hold, and the line would go completely dead, and it leaves you wondering if you've been cut off. I'm not sure if this is* [a] *tactic used by Virgin Media so that you hang up, or if it's an I.T. issue. Many customers may hang up at this point thinking that the call has been dropped. And having to go through the painful process again of trying to speak to an advisor…".*[523]

A2.32 Some customers mention in their complaints being placed on hold by a Retention Agent during retention conversations when the customer had refused to accept offers made, including in some cases with customers waiting for extended periods before the Retention Agent returned with another offer.[524] For example:

> **CCT complaint example 10**
>
> *"The lady on the end of the phone took down my information, but instead of processing the cancellation, she came back with a retention offer. I thought this was fair enough and politely declined and asked to cancel. The lady then came back with another, and another. I had to tell her no, please just cancel my services. She then continued to debate with me about the benefits I'd lose. I persisted in asking to cancel and was put on hold. Then when back off hold another offer, another decline by myself. Then another offer. This whole process went on for*

[520] Call recording VMCR-34-001, 7 November 2023.
[521] See, for example, call recordings VMCR-20-003, 4 January 2024; VMCR-26-008, 7 January 2024; VMCR-33-004, 2 January 2024.
[522] See, for example, CCT reference CCT-012, 7 February 2022; CCT reference CCT-021, 22 March 2022; CCT reference CCT-153, 28 November 2023; CCT reference CCT-171, 17 April 2024; CCT reference CCT-169, 21 March 2024.
[523] CCT reference CCT-146, 07 October 2023.
[524] See, for example, CCT reference CCT-075, 11 March 2023; CCT reference CCT-091, 7 August 2023.

over half an hour of having to repeat NO, PLEASE CANCEL. I said I wanted to make a complaint, but she kept just putting me on hold and coming back with another offer to the point where it was clearly obstructive and deliberate."[525]

A2.33 The complaint above also describes being put on hold multiple times in a single phone call and/or being put on hold with no reason given as to why it was necessary. These issues were also reported in other complaints.[526] For example:

CCT complaint example 11

"…I was repeatedly placed on hold without warning and asked the same questions repeatedly resulting in a 55 minute long call, where they kept offering me the same package as I was a loyal customer. They were deliberately frustrating in order to make me give up on the cancellation…".[527]

A2.34 Many customers described experiencing being put on hold alongside other barriers (i.e. other Relevant Behaviours and/or the two-tier cancellation process), including with some being put on hold before their call was terminated prematurely.[528] For example:

CCT complaint example 12

"I believe virgin media disincentivises their call centre staff from completing customer requests to cancel their contracts. My experience after switching to a new provider and calling Virgin to cancel was that:

1. First you speak with the "Customer Retentions Team" (who cannot actually cancel your account) You have to spend ages trying to convince them that no, you're not interested in staying no matter what, I just want to cancel, thank you very much

2. You get transferred to a "Specialist" cancellation team, who take the exact same information as in Step 1 (clearly to tire you out by having to repeat yourself) where "no" isn't taken for an answer

3. The operator will then put you on hold for extended periods to "check your account" then come back with another offer. This might happen 3 or 4 times.

4. Finally, when it's clear they can't persuade you to stay, they hang up on you and don't (contrary to their statements) ring you back."[529]

[525] CCT reference CCT-061, 09 December 2022. We note that this example also refers to inappropriate retention activity.
[526] See, for example, CCT reference CCT-060, 9 November 2022; CCT reference CCT-169, 21 March 2024; CCT reference CCT-098, 13 July 2023.
[527] CCT reference CCT-076, 26 March 2023. We note that this example also refers to inappropriate retention activity (see from paragraph A2.24 above.
[528] See, for example, CCT reference CCT-016, 23 February 2022; CCT reference CCT-118, 1 September 2023; CCT reference CCT-162, 9 February 2024.
[529] CCT reference CCT-088, 02 June 2023. We note that this example also refers to inappropriate retention activity (see from paragraph A2.24 above), the two-tier cancellation process (see from paragraph A2.15 above) and calls being deliberately dropped (see from paragraph A2.36 below).

A2.35 A number of call recordings evidence customers (i) being placed on hold with no reason given[530][531];[532] and/or (iii) being placed on hold for excessively long periods of time. For example, two call recordings, concerning the same customer, evidence the customer being put on hold on six separate instances (with the longest hold being seven[533]. Similarly, a customer was put[534]on hold for over 30 minutes, without a clear reason as to why being given by the Retention Agent.[535]

Dropped calls

A2.36 344 'Core' complaints and 10 'Secondary' complaints described having experienced a call being ended prematurely specifically during conversation with a Retention Agent (rather than, for example, while the customer was in a queue to get through).[536] While we understand that system-derived dropped calls can occur due to errors or outages, we consider that given the context in which they happened it is likely that many of the dropped calls described in these complaints were agent-derived in order to avoid processing a cancellation.

A2.37 In particular, many customers reported that when they turned down offers for new deals from Retention Agents and/or told them they wanted to cancel, their call was prematurely ended or they were *"hung up on"*, with some customers saying that this occurred multiple times across separate calls.[537] For example:

CCT complaint example 13

"Called three times to cancel my contract within the terms of my contract of 30 days notice period however when I finally got through to their customer service team each time they would start processing my cancellation only to hang up on me after trying to offer me another deal. At one point one of the agents even laughed a bit before hanging up on me..."[538]

A2.38 Customers described their call being dropped as one of multiple barriers faced (i.e. alongside other Relevant Behaviours and/or the two-tier cancellation process), with several

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[530] See, for example, call recordings VMCR-43-002, 1 November 2023; VMCR-62-002, 6 January 2024.
[531] See, for example, call recordings VMCR-01-002/VMCR-01-003, 29 December 2023 (same call split over two files), placed on hold four times; VMCR-16-001, 2 October 2023, placed on hold three times.
[532] See, for example, call recordings VMCR-08-002, 7 September 2023, placed on hold for eleven minutes; VMCR-02-004, 11 October 2023, placed on hold for 30 minutes; VMCR-17-002, 17 October 2023, placed on hold for seven minutes. See, for example, CCT reference CCT-147, 7 October 2023; CCT reference CCT-009, 4 February 2022; CCT reference CCT-018, 27 February 2022.
[533] VMCR-01-002/VMCR-01-003, 29 December 2023. These two files represent one call recording, with VMCR-01-003 following on at the point VMCR-01-002 ends.

[535] VMCR-02-004/VMCR-02-005, 11 October 2023. These two files represent one call recording, with VMCR-02-005 following on at the point VMCR-02-004 ends.
[536] See, for example, CCT reference CCT-133, 25 September 2023; CCT reference CCT-092, 08 August 2023; CCT reference CCT-107, 20 July 2023; CCT reference CCT-023, 1 April 2022; CCT reference CCT-040, 28 June 2022.
[537] See, for example, CCT reference CCT-018, 27 February 2022; CCT reference CCT-036, 20 June 2022; CCT reference CCT-007, 31 January 2022.
[538] CCT reference CCT-004, 25 January 2022.

customers describing having their call transferred or being placed on hold before the call was ultimately dropped.[539] For example:

CCT complaint example 14

"…After waiting 30 mins I spoke to a member of staff who attempted to give me a cheaper deal. I politely turned down his offer and then I was passed onto another member of staff. Again they attempted to put me on a cheaper deal. I asked to cancel again and the staff member cut his microphone whilst the call was ongoing. 10 mins later I heard the operator come online again and I said hello..they then hung up on me…"[540]

A2.39 Many customers also mentioned not receiving a call back from Virgin Media after their call dropped or, more specifically, that they did not receive a call back after their call was disconnected despite the Retention Agent taking their contact number if that was to happen and *"promis[ing]"* to do so.[541]

CCT complaint example 15

"… On several occasions I have managed to speak to an agent, but when I have declined their re-contracting offer and asked to continue with cancellation they have hung-up the phone. I have told operatives that I have been cut off multiple times and they have promised to call back if it happens again. I am then put on hold, cut off after several minutes and never called back."[542]

A2.40 As already illustrated in many of the examples above, many complainants noted that their call being dropped resulted in them having to call Virgin Media back and start the cancellation process again.[543] For example:

CCT complaint example 16

"For two weeks now we have been attempting to cancel our broadband service provided by Virgin Media…one is given 3 options to notify Virgin; by phone, online chat or by post…Since we have tried calling again being put on hold before speaking to an advisor. They attempted to dissuade us from cancelling before passing us on to another member of their team who did the same. When we declined we were cut off. We called again, going through much the same process and waiting times only to be cut off again. We accept that accidents happen but even with the best of intentions it seems clear that there are unacceptable barriers to cancelling the service. Being more cynical one might start to feel Virgin are placing these barriers

[539] See, for example, CCT reference CCT-024, 9 April 2022; CCT reference CCT-013, 9 February 2022; CCT reference CCT-015, 22 February 2022; CCT reference CCT-087, 23 May 2023.

[540] CCT reference CCT-012, 07 February 2022. We note that this example also refers to unnecessary and/or excessive use of 'hold' (see from paragraph A2.30 above) and the two-tier cancellation process (see from paragraph A2.15 above).

[541] See, for example, CCT reference CCT-017, 23 February 2022; CCT reference CCT-051, 12 August 2022. CCT reference CCT-072, 6 March 2023.

[542] CCT reference CCT-162, 9 February 2024.

[543] See, for example, CCT reference CCT-056, 26 September 2022; CCT reference CCT-055, 16 September 2022; CCT reference CCT-069, 27 February 2023.

intentionally to slow or even dissuade customers from seeing through the time consuming, cancellation process."[544]

A2.41 The impact of dropped calls on the customer's ability to cancel is also illustrated in this call recording:

<u>Case study 2</u>

CCT complaint

While the customer does not mention dropped calls in their complaint, they state that they had tried to cancel five times, indicating that they had re-started the process multiple times, and associated call recordings suggest that their call was dropped on at least one occasion.

"Tried to cancel my services 5 times. Then they have put me on hold for a long time. Nearly all of the phone calls have lasted up to 30 minutes. Tried to cancel 2 months ago. Still charging me for a service we haven used for 2 months."[545]

Virgin Media Call recordings

Three call recordings for this customer were provided. In the first call the customer is transferred to what appears to be Tier 2 but is seemingly cut off, in the second call the next day, the customer pleads with the Retention Agent not to cut them off again.

Customer: *Are you the person that can cancel this account?*

Retention Agent: *That's correct, yes.*

Customer: *Are you sure about that? Because the last person said he could do that.*

Customer: *Please don't… please don't hang up on me now, OK?*

Retention Agent: *I'm sorry.*

Customer: *Please don't hang up on me now, OK?*

Retention Agent: *Yeah, of course.*

Customer: *You're not going to hang up…*

Retention Agent: *Sorry?*

Customer: *You're not going to hang up, are you?*

Later in this call, the customer states that their reason for leaving is that they got a better price elsewhere. The customer expresses the impact the process has had on their mental health as they had called four times, and they are unable to afford their Virgin Media bill. The Retention Agent apologises and states they are trying to help. As the customer also confirms that they have now moved out of the premises where the account was held, the Retention Agent puts the customer through to the 'Movers' department so that the account can be

[544] CCT reference CCT-151, 16 October 2023. We note that this example also refers to the two-tier cancellation process (see from paragraph A2.15 above).
[545] CCT reference CCT-159, 7 January 2024. This complaint is categorised as secondary evidence as the customer experienced difficulty cancelling, however it is not clear within the complaint what barriers the customer faced. One of the call recordings associated with this complaint (VMCR-26-006, 6 January 2024) evidences that the call was dropped.

disconnected within 24 hours (as opposed to the standard 30 days). A disconnection is then successfully booked.[546]

Cancellations not being processed

A2.42 134 'Core' complaints and 40 'Secondary' complaints described having contacted Virgin Media to cancel and having believed that they had successfully done so, only to continue to be billed and/or subsequently find out from Virgin Media that there was no record of a cancellation being logged.[547] In some instances, the customer was also told there was no record of a previous conversation with the Retention Team.[548] For example:

CCT complaint example 17

"I phoned Virgin to cancel my broadband contract. I was told this would be actioned with no penalty as I had informed them before the deadline to leave (21 March) without a penalty charge. This was never actioned and no notes recorded on my account. I phoned again on 6 May as Virgin had emailed me to say they were going to take a further direct debit imminently. They confirmed that my account was still active and encouraged me to make a complaint. I did this and was told my account was now cancelled. I then received an email on 8 May addressing my complaint but also saying I owed them an early cancellation charge…"[549]

A2.43 Some customers who described having not had their cancellation processed by Virgin Media explained that, when they called Virgin Media again to cancel, they had to give the same notice period again, which caused a further delay to their cancellation.[550] For example:

CCT complaint example 18

"I have been trying to close my account since Sept/oct 2022 as I became out of contract with VM then and switched to BT so I have been paying two providers as if I were to cancel the direct debit to VM they would put me in arrears on my credit file…I have called [Virgin Media] *about 10/15 times since sept/oct 2022 and each time they advised yes no problem we will cancel the service with 30 days notice but to no avail and kept billing me and kept taking a direct debit…"*[551]

CCT complaint example 19

[546] Call recordings VMCR-26-006, 6 January 2024; VMCR-26-007, VMCR-26-008 and VMCR-26-009, all on 7 January 2024. A number of other call recordings evidence agent-derived dropped calls. See, for example, call recordings VMCR-28-001 and VMCR-28-002, 2 January 2024; VMCR-53-001, 7 October 2023; VMCR-62-001, 6 January 2024.
[547] See, for example, CCT reference CCT-025, 27 April 2022; CCT reference CCT-068, 20 February 2023; CCT reference CCT-032, 30 May 2022; CCT reference CCT-095, 26 June 2023; CCT reference CCT-010, 5 February 2022.
[548] See, for example, CCT reference CCT-020, 11 March 2022; CCT reference CCT-173, 29 April 2024; CCT reference CCT-175, 28 May 2024; CCT reference CCT-184, 4 September 2024.
[549] CCT reference CCT-065, 9 May 2023.
[550] See, for example, CCT reference CCT-179, 21 June 2024; CCT reference CCT-042, 1 July 2022; CCT reference CCT-139, 3 October 2023.
[551] CCT reference CCT-062, 3 January 2023.

"…In December [2023], *he contacted the provider to ask to cancel the contract, as he found another supplier. He was told that he had to wait until 15 January to make this cancellation request, which he proceeded to do. During that call, the advisor assured him that the account would be cancelled, and was instructed to return the modem to them. Despite this, consumer states that Virgin had continued billing him for all three of these services. Consumer contacted Virgin, who admitted that the account is still live and had not been cancelled. He is now being told that this cancellation will not be processed until mid-March. Consumer wished to log a complaint. Consumer also states that he has not paid the additional bills that he was sent by Virgin."*[552]

A2.44 At least six call recordings, relating to six different customers, demonstrate a previous cancellation was not processed by Virgin Media.[553] For example:

Case study 3

CCT complaint

The complaint (made on 6 October 2023) relates to the customer being unable to get through to Virgin Media.[554] Virgin Media provided the recording of a call that took place after the complaint was made (on 23 November 2023).

Virgin Media Call recording

In this call, the Retention Agent admits that a previous disconnection that was booked did not go through, despite the notes from the call showing that it should have. The previous call had occurred one month prior to this follow-up call.[555]

Retention Agent: *When did this request of disconnection happen?*

Customer: *September sometime. And then again in October.*

Retention Agent: *Beginning of October? So, if we go with the proper disconnection process, the 30 days prior notification will be applied on to that one. So, yeah, I see here on the 10th of October, there was an intent of disconnecting the services, and they given you like a new package for £36, but you refused to do so, right?*

Customer: *Yes*

There is then a discussion about the current bill which the customer has received for the November period.

[552] CCT reference CCT-163, 19 February 2024.
[553] Call recordings VMCR-02-003, 11 October 2023; VMCR-13-002, 23 November 2023; VMCR-22-011, 25 November 2023; VMCR-26-002, 22 November 2023; VMCR-31-002, 23 October 2023; VMCR-38-004, 17 December 2024.
[554] CCT reference CCT-144, 6 October 2023. This complaint was not categorised as either a 'Core', 'Secondary' or 'Additional' complaint as the customer said they had experienced difficulty cancelling, but did not mention contacting Virgin Media via telephone at the time of the complaint and they had not mentioned one of the Relevant Behaviours and/or two-tier cancellation process. Virgin Media later provided recording of a call associated with this complaint, that was after the complaint was made, where the Retention Agent admits a previous disconnection did not go through and, for this reason, we consider the call recording to be relevant and in scope.
[555] Call recording VMCR-13-002, 23 November 2023.

Retention Agent: *Now since you made the request on the 10th of October, I will be asking our offline team what we can do further about this. Alright?*

Customer. *Right.*

Retention Agent: *Because it would be unfair on your part also if you were going to be charged for something that you already made a request… and it didn't go through. Okay.*

Customer. *Right.*

There is then a discussion about how the customer will, after this point, receive a new settlement amount for the account, based on the notice for disconnection being retrospectively adjusted to 10th of October.

Impact on consumer behaviour and customer harm

A2.45 In this section, we provide more specific evidence of how, and the extent to which, the Relevant Behaviours and/or the two-tier cancellation process impacted consumer behaviour and disincentivised switching, which we have taken into account as part of our findings relating to breach and penalty in Sections 4 and 5 respectively. This includes where we consider customers experienced significant delays to switching as well as being prevented from switching entirely, including the additional steps customers took to try and cancel their contract. We also summarise broader areas of consumer harm we have identified from complaints and call recordings. This includes financial harm and inconvenience, stress, anxiety and frustration caused to customers.

A2.46 Of the 649 'Core' and 200 'Secondary' complaints relating to the Relevant Behaviours and the two-tier cancellation process, our review indicated that 567 of these customers (approximately 67%) had been unable to cancel their service at the time of the complaint.

A2.47 As many of the complaints received were made while the consumer was still in the process of trying to cancel their services, the total impact of the barriers they faced could not be fully determined in those cases. Other complaints received only outlined the difficulties that the customer had experienced without providing an explicit explanation of the impact this had on them. We consider it likely that a larger number of customers who made a complaint (or who did not make a complaint) would have experienced similar impacts to those outlined below.

A2.48 Our analysis has highlighted several themes surrounding the ways in which customers said they were impacted by the barriers they faced. Firstly, customers' ability to switch was impacted, and this was demonstrated in a few ways. These included:

(i) A delay to the customer's ability to cancel, including significant delays;

(ii) The customer gave up on contacting Virgin Media and cancelled their direct debit;

(iii) The customer gave up on cancelling or was prevented from switching entirely; and

(iv) The customer expressed that the barriers they faced felt deliberate to prevent them from cancelling.

A2.49 In addition, customers faced broader impacts, which caused them harm. These included:

(i) The customer was impacted financially – for example, by additional monthly bills, by being charged fees or by their credit score being impacted (usually following being contacted by debt collection agencies for non-payment of bills after the customer had attempted to cancel);

(ii) The customer experienced inconvenience, including those who experienced frustration, stress and/or increased anxiety or other mental health impacts as a result; and

(iii) The additional harm caused to customers whose circumstances may make them vulnerable (including disabled customers).

A2.50 We discuss the evidence of each of these areas of impact in more detail below. Some of the call recordings we reviewed highlighted the same themes of impact as the CCT complaints. As some areas of impact may only crystallise after a call, we have generally relied on the impact which customers described in CCT complaints in this section, together with examples of where impact was evident within a call recording.

Impact on consumer behaviour

Delays to customers' ability to switch

A2.51 As illustrated above by examples of complaints and associated Virgin Media call recordings, we have concluded that the nature and operation of the two-tier cancellation process and Relevant Behaviours caused an inherent delay – to varying degrees – to a customer's ability to cancel their Virgin Media services.

A2.52 In some instances, customers were delayed from switching by minutes or hours (for example, if their call dropped and they called back soon after and had to repeat the process or if they had to spend time being transferred between agents or departments).[556] In other instances, customers appeared to be or were delayed by days, weeks, months or, in some cases, potentially years.[557] In total, 142 'Core' and 51 'Secondary' complaints described a delay of over a day and therefore what we consider to be a significant delay to cancellation.[558] In many cases, this resulted in financial harm as a result of customers being prevented from switching to a package that may have better suited their needs or circumstances, and/or from continuing to pay for Virgin Media service(s) they no longer required (see from paragraph A2.67 below).[559]

A2.53 For example, the below case study shows the customer had been delayed from cancelling for months as their cancellation, which they thought had been booked in May 2023, had not actually been processed. In October 2023, Virgin Media agreed to refund the customer over

[556] See, for example CCT reference CCT-177, 19 June 2024; CCT reference CCT-001, 8 January 2022; CCT reference CCT-126, 30 October 2023; CCT reference CCT-168, 11 March 2024; CCT reference CCT-170, 5 April 2024.
[557] See, for example, CCT reference CCT-002, 12 January 2022; CCT reference CCT-134, 29 September 2023; CCT reference CCT-183, 28 August 2024; CCT complaint example 22 below, 18 April 2024 (the customer mentions they have been trying to cancel for *"about a year"*); complaint example 23 at paragraph A2.57 below). We note that, in some instances, customers who were delayed by weeks, months or years may have faced a range of barriers to cancellation, including those outside of the scope of the investigation (such as long queues or being unable to get through to speak to an agent).
[558] See, for example, CCT reference CCT-043, 8 July 2022; CCT reference CCT-105, 17 July 2023; CCT reference CCT-110, 24 July 2023; CCT reference CCT-141, 5 October 2023.
[559] See, for example, CCT reference CCT-100, 13 July 2023; CCT reference CCT-115, 20 August 2023.

£300 for the money they *"shouldn't have had to pay"* as a result of its failure to process the disconnection.[560]

<u>Case study 4</u>

CCT complaint

"After months of trying to contact Virgin to cancel my broadband package, I eventually managed to get in touch with them after 6 months of trying. They deliberately make contacting their cancellation team a hard task by putting up so many barriers. The reason for my cancellation was that I had taken out a new package with another provider and was no longer under contract. When I eventually managed to speak to a human to cancel, I also raised a formal complaint due to the time it had taken me to contact them and their predatory practices. They came to the agreement to refund all payments made after the contract had ran out (just over £300). They promised that this would be payed [sic] *in a maximum of 45 days, a totally unsatisfactory refund period. The refund never came and I was once again forced to contact the unwilling team at Virgin. Once again, they apologised and promised that the money would be refunded in under 7 days. Once again, this has not happened…".*[561]

We categorised this complaint as 'secondary' evidence as the exact nature of the barrier(s) experienced was not clear on the face of the complaint. An accompanying call recording, however, provides more detail and demonstrates that a failure to process an agreed disconnection occurred.

Virgin Media call recording

Retention Agent: … *What has basically happened is one of my managers has been looking at the case and has just passed it back to myself and there obviously is no basic resolution that they came up with.*

Customer: *Yeah.*

Retention Agent: *Looking at it you've been having a few issues with the disconnections that have not been actioned and obviously that should have been, my manager has noted it should have been in around May time.*

Customer: *Yeah.*

Retention Agent: *Obviously just looking at the quick email he's sent. But basically long story short is that the manager has worked out there should obviously be a £300 credit due back to you.*

Customer: *Yeah.*

Retention Agent: *Because obviously if the disconnection had been correctly done then, obviously you would have been disconnected properly.*

Customer: *Yeah.*

[560] Call recording VMCR-31-002, 23 October 2023.
[561] CCT reference CCT-161, 5 February 2024.

Retention Agent: *But obviously even with the 30 days. The manager has worked that out but then he's also then organised alongside £40 goodwill to cover the last bill, the final bill that has just generated.*

Customer: *Yeah.*

Retention Agent: *So there will be no further money coming out. So in theory the way it would be work is there would be £315 that would be due back to yourself.*

Customer: *Yeah.*

Retention Agent: *Because obviously that £40 goodwill in the sense that a part of that covers that bill, so my manager is more than happy to do that, basically get that £315 back to you once that account fully closes.*

Customer: *Yeah that's…*

Retention Agent: *Our system will automatically refund back to you due to obviously the inconvenience with the disconnecting not being done in the first place or obviously when you were on the phone. My manager is saying that should solve the main side of the complaint that you were after, obviously been backdated money that you shouldn't have had to pay.*

Customer: *No no that is absolutely fantastic. Thank you very much for a helpful resolution.*[562]

At the time of the customer's complaint to Ofcom in February 2024, the customer had still not received this refund, although a later part of the call recording shows the Retention Agent confirmed the refund could take 35 days, but they would request a BACS transfer to speed the process up to 5-10 days.[563]

A2.54 The below example is a CCT complaint made to the CCT on 24 June 2022. The customer describes trying to cancel since January 2022, meaning they had been delayed by approximately five months at the time of making the complaint:

CCT complaint example 20

"The consumer has fixed line and broadband with Virgin Media. The consumer has tried to cancel since January 2022, but she has faced long queues and call disconnections. The consumer did speak to someone and thought her service was cancelled as Virgin said the account was dealt with. The consumer cancelled her direct debit and later received a debt collection letter for £120. The consumer has paid this but has since received a £38 bill for services."[564]

A2.55 The below example is a CCT complaint made to the CCT on 26 April 2023. The customer initially called to cancel in January 2023 and provided notice to cancel. The customer subsequently discovered that the cancellation request in January 2023 was not processed and instead Virgin Media had counted the customer's follow-up call *"weeks later"* (in relation to final payment of £65) as the cancellation request which meant they were

[562] Call recording VMCR-31-002, 23 October 2023.
[563] CCT reference CCT-161, 5 February 2024.
[564] CCT reference CCT-038, 24 June 2022. This complaint has been summarised by the CCT based on the verbal account from the customer.

therefore trying to charge the customer a *"further £150"*.[565] This charge suggests the customer's cancellation was delayed by two months.[566]

CCT complaint example 21

"I clearly wanted to cancel my subscription as my bill jumped from £45 to £75 a month after a year of being a customer as I am 'out of contract'. I telephoned them end of Jan 2023. I was transferred several times, cut off several times and it was obvious that there is a system from employees where it affects their pay/ bonus if a customer cancels because nobody-but nobody wanted to cancel my contract. I kept repeating "please just cancel - take this as my notice to cancel." This was the Philippines office and the staff sound like automated robots rather than humans. I received a chase for payment for my bill some weeks later. After another lengthy stressful experience of me calling - I agreed to pay a further £65 because it was a months notice policy- I felt that the awful customer service should have meant that they waiver any extra fees but at that point I then learned that they had never cancelled me in Jan and they used this call that I made as the cancellation request and are now trying to charge me a further £150! I have had a new provider since the first cancellation & haven't used their service. Equipment is being collected this week.

It [sic] *the interim I have received approx 4 phone calls from different reps in different locations trying to get me to stay- every time I explain the situation with the awful customer service and inflated charges they say they can't help/ can't see my bill and no one is taking ownership to support me. I am close to tears!"*[567]

A2.56 In the below example CCT complaint, the customer had been trying to cancel for *"about a year"*, however they had faced issues such as deliberately dropped calls when they called to cancel.[568]

CCT complaint example 22

Subject: *"Been trying to cancel for about a year"*

Description: *"I've tried to call and chat online to cancel or amend my contract with them, however, each time I've tried I have been hung up on or no one is there to answer. These companies make it SO easy to sign up to but impossible to amend or cancel from."*[569]

A2.57 In the below example CCT complaint, the customer switched to another provider in June 2019 and contacted Virgin Media to cancel at the time. The cancellation request was not processed and, as at the time of the complaint (25 April 2023), the customer had still not successfully disconnected their Virgin Media account (almost four years later).[570]

CCT complaint example 23

[565] CCT reference CCT-085, 26 April 2023
[566] The customer's out of contract bill was £75 a month.
[567] CCT reference CCT-085, 26 April 2023.
[568] CCT reference CCT-172, 18 April 2024.
[569] CCT reference CCT-172, 18 April 2024.
[570] We recognise that this complaint refers to events which took place before the start of our Relevant Period (i.e. in June 2019). However, we have included this complaint due to the customer's ongoing attempts to cancel during the Relevant Period.

"Consumer was a Virgin Media phone line, broadband, and television customer. In June 2019, he had switched to another supplier. He did contact Virgin to request the cancellation of this account at that time. In November of last year , he noticed that Virgin had failed to action his cancellation request, and had continued billing him for the broadband service. He had contacted Virgin when he had discovered that his account was still active, only to be told to call back in February to request the cancellation of this account. He contacted Virgin Media in March to request this cancellation, but when he was put through to their retentions team, the call was cut off. Consequently, the account has still not been cancelled, and Virgin is still billing him for this broadband service..."[571]

Customer gave up contacting Virgin Media and cancelled their direct debit

A2.58 36 'Core' and eight 'Secondary' complaints explained that the customer had contacted Virgin Media (with many describing having attempted on multiple occasions and by multiple contact methods) to cancel their account without success and as a result had resorted to cancelling their direct debit payment to Virgin Media to prevent paying any more money.[572] For example:

CCT complaint example 24

"…We have made 5 phone calls, sent 10 postal letters, responded to 2 emails, engaged in a "what's app thread" with VM to cancel our services. Their representatives have hung up or disconnected the phone every time we are transferred to the cancellation team. We have this all on record. We have now cancelled our direct debit and requested final bill - we receive automated responses. Personaly [sic] *messaged their MD no response. sBefore* [sic] *long this will damage my credit rating and ability to purchase a home next year. I feel litigation is my only option and to request compensation for any damages or losses should my credit file be impacted…".*[573]

CCT complaint example 25

"…Ive been trying to cancel my broadband contract with these as Ive taken out a contract with SKY. Their online service just isnt working at all. I've called in several times now, despite best part of an hour on hold each time, and got through and every time I tell them I want to cancel they hang up the phone! I've cancelled my direct debit so I expect them to get in touch with me…".[574]

[571] CCT reference CCT-084, 25 April 2023. This complaint has been summarised by the CCT based on the verbal account from the customer.
[572] See, for example, CCT reference CCT-059, 8 November 2022; CCT reference CCT-089, 2 August 2023; CCT reference CCT-070, 1 March 2023; CCT reference CCT-107, 20 July 2023; CCT reference CCT-127, 6 November 2023; CCT reference CCT-167, 11 March 2024.
[573]CCT reference CCT-052, 26 August 2022.
[574] CCT reference CCT-029, 16 May 2022.

A2.59 Some customers in Virgin Media call recordings make reference to either having already cancelled, or threatening to cancel, their direct debit in order to avoid paying additional bills and charges due to the barriers to cancellation.[575]

A2.60 Customers giving up on Virgin Media's cancellation process and cancelling their direct debit to prevent Virgin Media continuing to charge them demonstrates customers taking steps as a last resort and a clear impact on consumer behaviour. These customers wanted the opportunity to switch to a new provider – or indeed had already taken the opportunity to commence services with a new provider – but wanted to do so without having to continue to pay for their old provider or minimising the duration for which they had to do so.

The customer gave up cancelling or was prevented from switching entirely

A2.61 28 'Core' and 15 'Secondary' complaints expressly referenced that the customer had given up trying to cancel their Virgin Media account or were being prevented from switching entirely, including some of these customers who wrote in their complaints that they did not know what to do next and requested advice or Ofcom intervention to get their contract cancelled.[576] Some of these customers simply expressed in their complaints they were continuing to pay for a product they no longer wanted or required and had therefore been prevented from switching entirely.[577]

A2.62 One such customer said that they had been trying to cancel their out-of-contract service for over three years which indicates significant financial harm:

<u>CCT complaint example 26</u>

"For the past 3 years I have repeatedly tried to contact them but am on hold for 30-60 mins each time, get met with zero help on chat or get cut off… [I] *have been paying over £60 a month for substandard broadband that I can't cancel. I'm at a loss as to what to do now and hope you can help. I have submitted a complaint to Virgin but no answer. I have told them repeatedly what I'm trying to do and just get redirected or cut off…".*[578]

A2.63 Another two customers said that they had called multiple times but had still not been able to cancel, leaving the customers unsure of what they can do next:

<u>CCT complaint example 27</u>

"The consumer advised she has fixed line and broadband with Virgin Media. The consumer advised that she has had difficulty cancelling her contract with Virgin back in January this year. The consumer advised she wanted to cancel due to intermittent service and the high

[575] See, for example, call recordings VMCR-44-001, 4 September 2023; and VMCR-08-003, 7 September 2023, in which the customer threatens to cancel their direct debit in response to difficulty cancelling. Similarly, in call recordings VMCR-26-003, 6 January 2024; and VMCR-02-003, 11 October 23, the customers confirm that they have already cancelled their direct debits.

[576] See, for example, CCT reference CCT-045, 26 July 2022; CCT reference CCT-046, 2 August 2022; CCT reference CCT-043, 8 July 2022; CCT reference CCT-047, 3 August 2022; CCT reference CCT-064, 26 January 2023. We note that Ofcom does not act on individual consumer complaints and so would be unable to intervene in this manner.

[577] See, for example, CCT reference CCT-131, 22 September 2023; CCT reference CCT-073, 8 March 2023; CCT reference CCT-082, 24 April 2023.

[578] CCT reference CCT-160, 17 January 2024. This complaint is categorised as secondary evidence as it is not clear under which contact method the barrier, transferred multiple times, occurred. This complaint also shows a significant delay.

bills she was receiving. The consumer advised that when she had called to cancel and was transferred to the cancellations team her call would be disconnected. The consumer advised that they are still billing her despite calling them several times to cancel. The consumer advised she is no longer using their services and has moved to another provider and does not know what to do next." [579]

CCT complaint example 28

"We are trying to give our 30 day notice to cancel with virgin media however after being on hold for hours and being continuously transferred to different departments, when we finally reach the 'correct' they end the call. This has happened 3 times now. We are now unsure of how to cancel as no one will help us."[580]

A2.64 These complaints evidence that some customers were prevented from switching by Virgin Media's cancellation process and as a result either sought assistance from third parties to navigate the process or resigned themselves to the fact that they must continue to pay Virgin Media for services they no longer require.

The customer expressed that barriers were deliberate to prevent cancellation

A2.65 In 177 'Core' complaints and 31 'Secondary' complaints, customers described feeling as though Virgin Media had deliberately put in place barriers to prevent cancellation.[581] Many of these customers expressed these feelings as part of their frustration after spending time (including hours or days) contacting Virgin Media and experiencing a number of the barriers outlined above.[582] For example:

CCT complaint example 29

"Called the number quoted on agreement to give 30 days notice. 1st operator took details and then passed me to another representative who took more details, asked some pretty detailed questions (which were on [sic] *no relevance) and then passed me to a third. He also took various details and then told me he couldn't deal with it as 'I can only deal with customers who are moving house in more than six weeks'.*

Virgin Media are deliberately making the process of trying to cancel a contract as difficult as possible in order to try and retain customers..."[583]

CCT complaint example 30

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[579] CCT reference CCT-080, 14 April 2023. This complaint has been summarised by the CCT based on the verbal account from the customer.

[580] CCT reference CCT-125, 16 September 2023.

[581] See, for example, CCT reference CCT-106, 18 July 2023; CCT reference CCT-097, 13 July 2023; CCT reference CCT-078, 8 April 2023.

[582] See, for example, CCT reference CCT-060, 09 November 2022; CCT reference CCT-076, 26 March 2023; CCT reference CCT-065, 9 May 2023.

[583] CCT reference CCT-019, 10 March 2022.

"… It seems almost as though Virgin have a template to which they work to prevent customers from leaving – a bit like the Hotel California."[584]

CCT complaint example 31

"I tried to cancel my Virgin Media services and found they put every obstacle possible in my way to prevent me from doing it. It felt like a combination of procedural blockers plus malicious compliance by staff, as I seemed to anger them by not providing a reason for cancellation. I simply asked repeatedly for it to be cancelled and I experienced repeated sales efforts, passing from one team to another, several call disconnections, follow-up sales contact, and misleading bills. Frankly, it's a disgrace that a company can be so obstructive when a customer chooses to cancel their service."[585]

A2.66 In addition to those customers who expressed that they felt the barriers were deliberate to prevent them cancelling, other customers also described the barriers they faced as *"hoops"* they had to jump through.[586] For example:

CCT complaint example 32

"First person I spoke to cut the call off within 3 minutes of discovering I was looking to cancel my services. Second person I spoke to lied to me about not being able to cancel my services, as I had spoken to somebody else prior. Upon asking directly "so you are unable to cancel my services today", she miraculously now could without any issue. I got the distinct impression that this is a tactic employed by customer services to ensure their retention rates are high. As she was unable to encourage me to remain a customer, from this point on, she was obtuse, argumentative, rude. Icing this cake with "I could have offered you the better rate, but I'm not going to". While the attitude of the individual is i'm sure an isolated incident, the number of hoops one must jump through just to cancel is abhorrent."[587]

Broader impacts which caused customer harm

Financial impact

A2.67 As discussed from paragraph A2.51 above, it is our view that being subject to the two-tier cancellation process and/or one or more of the Relevant Behaviours delayed a customer's ability to cancel and CCT complaints illustrate that, in some cases, customers were significantly delayed. As a result, even where customers were able to eventually cancel successfully, many customers had already suffered significant harm (including financial harm from, for example, paying additional months on a direct debit) as a result of having experienced Virgin Media's two-tier cancellation process and/or the Relevant Behaviours and this delaying or preventing them from cancelling. Some customers also reported having already taken up a service with a competitor and being unable to cancel Virgin Media, which resulted in them paying for two sets of services at one time (see, for example, CCT complaint example 18 at paragraph A2.43 above). 100 'Core' and 42 'Secondary' complaints

[584] CCT reference CCT-005, 28 January 2022.
[585] CCT reference CCT-050, 12 August 2022.
[586] See for example CCT reference CCT-044, 25 July 2022; CCT reference CCT-108, 20 July 2023; CCT reference CCT-110, 24 July 2023; CCT reference CCT-157, 29 December 2023.
[587] CCT reference CCT-108, 20 July 2023.

explicitly mentioned a financial impact such as facing and having to pay additional bills or charges. In some limited cases, some of these customers had sought a refund for the overpayment and received this at the time of making a complaint to Ofcom,[588] but most did not mention receiving any or all of the money back from Virgin Media.[589]

CCT complaint example 33

"I initially contacted Virgin Media by telephone to cancel my account on September 26th. They assured me this would be done and a final bill would be sent. They never actioned this. I followed up on November 14th to cancel again and was assured if I paid £63 that would be the full and final settlement of the bill. The next day, I check my account and it had been reactivated. I spent 3 hours on the phone trying to get through to the cancellation department and they promised to investigate the matter. I have not heard back from them. They are now asking for an additional £91.50. I have notified them that I dispute this bill and asked them to put it on hold and not to be charged late payment fees as I do not agree that the bill is correct."[590]

A2.68 This harm is likely to have been exacerbated for customers who reached the end of their minimum contract term and were placed onto a monthly rolling 'out-of-contract' rate which may have been higher compared to when they were in contract.[591]

A2.69 As set out at paragraph A2.58 above, a number of complainants describe cancelling their direct debit to Virgin Media or otherwise ceasing their payments after being unable to cancel, and some explain that this led to them receiving letters from Virgin Media or third-party debt collection agencies seeking the 'missed' payments.[592] Other complaints (10 'Core' and two 'Secondary') describe this having resulted in a negative impact on the customer's credit score, which could impact on their ability to secure credit.[593] For example:

CCT complaint example 34

"My contract was coming to an end so I switched to Sky via uswitch who automatically let Virgin know. When I hadn't heard from Virgin I called them as I had disconnected and they said I needed to pay for another 30 days. The lady then became aggressive challenging me why I hadn't asked for a better deal, she then hung up on me and proceeded NOT to cancel my account as requested which meant they kept charging me monthly when I already had another provider. When I contacted them again (internet chat as I didn't trust them not to hang up on me) they said I had to accept the bill for the months even though I had cancelled and the customer service hadn't put it through, and even though I switched via uswitch. I complained and they sent me an automated response, I sent a letter and they didn't reply to this letter at all, and then they sold my "debt" to [✂] who are now chasing me for it and

[588] See, for example, CCT reference CCT-110, 24 July 2023.
[589] See, for example, CCT reference CCT-082, 24 April 2023; CCT reference CCT-139, 3 October 2023; CCT reference CCT-022, 23 March 2022.
[590] CCT reference CCT-152, 27 November 2023.
[591] See, for example, case study 4 above; and CCT reference CCT-030, 17 May 2022; CCT reference CCT-155, 28 December 2023; CCT reference CCT-041, 30 June 2022.
[592] See, for example, CCT reference CCT-129, 18 September 2023; CCT reference CCT-038, 24 June 2022.
[593] See, for example, CCT reference CCT-124, 9 September 2023; CCT reference CCT-176, 6 June 2024; CCT reference CCT-136, 2 October 2023; CCT reference CCT-099, 13 July 2023.

> *every month they log a "missed payment" so my credit score is going down every month even though it was perfect before."*[594]

A2.70 In another example, a customer expressed how their experience while trying to switch to a new provider but being chased by Virgin Media for payments had *"damaged"* their credit file:[595]

> **<u>CCT complaint example 35</u>**
>
> *"Here is how Virgin media treated Me they put a 3rd debt recovery company on to me for a debt that is not owed, in fact I've taken them to court and won. They owe me over £400 for harassment. My partner called twice and spent hours being passed between departments until they hung up on her and she refused to go through the same thing again, so we wrote and instructed them to end our contract and gave them 31 days notice. This by the way was September last year. So after sept last year and my new installation with Plusnet, Virgin continued billing me, I paid one final payment of £55 which I knew I didn't owe but ironically I thought it would make them go away. They continued pestering me, I took out a complaint which they failed to complete in their own timeline, as did they for a further 2 complaints. In the end I took them to court, I won the case of harassment and they were served with judgement. I then had to instruct a warrant to be served on them which is about to happen, they have ignored there* [sic] *own complaints procedure, ignored a judgement and warrant served against them and are continuing to harass me. [✂*[596] *and another company were shown the court papers and judgement and warrant and wrote and said they'd no longer be pursuing the case. This is almost a year of harassment, they've damaged my credit file and ignore everything. Their procedures need changing as it's impossible to deal with them."*[597]

Inconvenience and frustration, stress and/or increased anxiety

A2.71 CCT complaints illustrate that customers were inconvenienced as a result of experiencing the Virgin Media's two-tier cancellation and/or the Relevant Behaviours, including as a result of losing a significant amount of time when trying to cancel their services (for example, many said they spent hours on the phone – see CCT complaint example 2 at paragraph A2.16, call recording example 1 at paragraph A2.22 and CCT complaint example 35 at paragraph A2.70). Many customers also appeared to experience frustration, stress and/or increased anxiety as a result. In total, 86 'Core' complaints and 27 'Secondary' complaints indicated the customer experienced frustration, stress, and/or increased anxiety when attempting to cancel their Virgin Media service(s).[598] For example:

> **<u>CCT complaint example 36</u>**
>
> *"…every time I was adamant I wanted to leave but she wouldn't accept this. Eventually I became very tired, weak and exhausted and despite me PLEADING with the advisor she would*

[594] CCT reference CCT-174, 28 May 2024.
[595] CCT reference CCT-101, 14 July 2023.

[597] CCT reference CCT-101, 14 July 2023.
[598] See, for example, CCT reference CCT-090, 3 August 2023; CCT reference CCT-071, 6 March 2023; CCT reference CCT-102, 14 July 2023; CCT reference CCT-096, 10 July 2023.

not put me though to terminations. I honestly thought I was going to have a heart attack, I was feeling so frail and ill. I am 70 next year, I've already had a heart by-pass, diabetes all my life and now Parkinsons. Virgin Media should not be allowed to treat customers this way…".[599]

A2.72 Customers also expressed the following about Virgin Media's cancellation process:

CCT complaint example 37

"It's no exaggeration to say, it is probably one of the most irritating and stressful experiences I have ever had to deal [with]. *It takes at least 45 minutes to get through the barriers that are clearly put in place to deter people from changing contract. I know full well that if I cancel my broadband I cannot access the Internet, yet the person I spoke to repeated this at least three times, and again for the fact I would not be able to watch virgin media TV channels. You eventually get transferred and speak to at least three different levels of employee. The final one asked me to hold the line at least seven times during which she took at least 90 seconds at each time to come back to me...".*[600]

CCT complaint example 38

"The service was shocking, unethical and caused a lot of stress. Being able to cancel a contract when the term ends, should be as simple as clicking a button and not involve several hours on the phone. Please, please investigate this unethical, only-interested-in-sales company."[601]

CCT complaint example 39

"…After one call i broke down and was in tears for about an hour. I'm on medication for depression and anxiety so this was all worst case for me and triggered my suicidal thoughts so much...".[602]

Impact on vulnerable customers

A2.73 A number of CCT complaints suggested that the negative impacts of facing additional barriers during the cancellation process may have been felt more notably by customers whose circumstances may make them vulnerable (including disabled customers).[603] For example:

CCT complaint example 40

"i rang up and informed them that i will be leaving virgin media due to price increase and that i have recently lost my wife and due to being elderly and disabled that including the price rise was too expensive. i rang sky and got a new package with what i am happy with. whilst on the telephone to virgin i spoke to a lady and informed her that i would like to put in my

[599] CCT reference CCT-091, 7 August 2023.
[600] CCT reference CCT-097, 13 July 2023.
[601] CCT reference CCT-034, 13 June 2022.
[602] CCT reference CCT-154, 6 December 2023.
[603] See, for example, CCT reference CCT-023, 1 April 2022; CCT reference CCT-027, 8 May 2022; CCT reference CCT-182, 12 August 2024; CCT reference CCT-054, 7 September 2022.

termination of contract notice. the lady kept giving me offers after i stated that i wanted to leave. eventually my daughter in law spoke to the lady and informed her that due to the recent loss of my wife and having previously asked for a cheaper package nothing would be acceptable for me to do this… this has caused me further stress…".[604]

A2.74 Some customers described feeling that the process they had been through had caused significant stress, to the extent that they felt it had worsened an existing health or mental health condition. For example:

CCT complaint example 41

"I was on the phone all day (honestly all day) being passed around Virgin call centre. Each person to another, often loosing [sic] *contact or cutting me off. I'm 76 and suffer with depression and anxiety – this made me so bad. Every time I had to go through security again – why? I tried on line too but was told they couldn't help – back to calls. By now I was sobbing with frustration and anxiety...".*[605]

A2.75 As explained above, we also received a number of complaints from customers who mentioned they were having financial difficulties and that being unable to cancel their Virgin Media service or switch to a new provider had a further financial impact on them. For those customers who are potentially in a financially vulnerable position or who cannot afford to pay for the ongoing Virgin Media service (particularly out of contract rates), the impact of additional bills (see paragraph A2.52 and from paragraph A2.67 above) is likely to have caused particularly significant harm.[606]

[604] CCT reference CCT-067, 20 February 2023.
[605] CCT reference CCT-103, 14 July 2023.
[606] See, for example, CCT reference CCT-082, 24 April 2023; CCT reference CCT-041, 30 June 2022.

A3. Issues with Virgin Media's approach to responding to information requests

A3.1 We have set out in Section 5 that we encountered several issues with Virgin Media's approach to responding to information requests during the course of the investigation. We have found that its approach and underlying responses demonstrated significant and repeated failings, some of which we consider are likely to have breached Virgin Media's obligation to provide complete and accurate information to Ofcom. This was caused, amongst other things, by Virgin Media failing to carry out adequate quality checks prior to submitting responses (including with third parties).

A3.2 This Annex sets out the key issues with Virgin Media's responses to statutory information requests during the investigation which we have taken into account when determining what we consider to be an appropriate and proportionate penalty in this case.

A3.3 We issued four statutory Information Requests to Virgin Media under section 135 of the Communications Act 2003. These were as follows:

(i) 18 October 2023: The '**First Information Request**', which requested information about Virgin Media's procedures relating to cancellation requests, including its processes, retention rates, guidance and training, commission scheme, quality assurance and monitoring.

(ii) 13 July 2024: The '**Second Information Request**', which was in follow-up to the First Information Request.

(iii) 6 November 2024: The '**Third Information Request**', which requested records (emails, calls, messages and digital chat logs) relating to a sample of CCT complaints received by Ofcom between August 2023 and February 2024.

(iv) 8 April 2025: The '**Fourth Information Request**', which sought clarifications regarding information provided in previous information requests, as well as updated statistical data, to include August and September 2024.

First Information Request

A3.4 Ofcom issued the First Information Request on 18 October 2023. Ofcom sent a draft of the notice to Virgin Media in advance, enabling it to raise any comments, which were subsequently addressed. This included our agreement to extend the response deadline from four to six weeks at Virgin Media's request. Virgin Media provided its response to the First Information Request on 29 November 2023 (which we refer to as its '**initial response**'). Virgin Media provided a further response to the First Information Request on 16 February 2024, following a warning letter from Ofcom on 26 January 2024 (we refer to this further response as its '**follow-up response**' and which we discuss in more detail below).

A3.5 We identified issues with both Virgin Media's initial and follow-up response to the First Information Request. Namely:

(i) Virgin Media's initial response to the First Information Request was **incomplete**, as it did not fully address many of the questions. We subsequently also identified from our assessment of Virgin Media's follow-up response to the First Information Request that other areas of the initial response were incomplete.

(ii) Virgin Media's initial and follow-up responses to the First Information Request were **incomplete and/or inaccurate**, which we identified from our assessment of Virgin Media's response to the Fourth Information Request.

A3.6 We set out our conclusions in relation to each of the above in more detail below.

Virgin Media's initial response to the First Information Request

A3.7 Upon receiving Virgin Media's initial response, out of the 19 questions relevant to this investigation,[607] 15 questions were either unanswered, incomplete or did not provide sufficient information or relevant context for Ofcom to understand Virgin Media's response.[608] In response, Ofcom issued Virgin Media with a warning letter on 26 January 2024 requesting that it provide the information which appeared missing and/or incomplete, as well as reminding it of its legal responsibilities to provide complete and accurate information in response to information requests and the consequences for failing to do so. Ofcom also met with Virgin Media's regulatory team and operational leads on 30 January 2024 to run through the questions and our concerns in detail.

A3.8 Virgin Media provided a follow-up response to the First Information Request on 16 February 2024, almost three months after the original (extended) deadline for the First Information Request, which delayed the timeline of our investigation.

A3.9 Taking into account the responses and documents Virgin Media provided in its follow-up response, Virgin Media's initial response to the First Information Request was incomplete for the following reasons:

(i) Virgin Media's initial response **failed to provide documents** it held that were within the scope of questions in the First Information Request.

(ii) Virgin Media **failed to fully respond to questions** in its initial response (either it did not provide a full and complete explanation and/or missed sub-questions).

(iii) In its initial response, Virgin Media responded to a number of questions by providing a document **with no accompanying explanation** of the contents or how it responded to the question and/or **failed to provide an accompanying written description** alongside documents as requested in the question.

A3.10 We set out our reasoning for each relevant question below:

(i) <u>Question (2)(a) to (c)</u>: This question requested a description and copies of Virgin Media's Cancellation/Retention Processes.[609] In its initial response, Virgin Media provided no such description and provided copies of its internal process flows

[607] 10 of the 29 questions we asked under the First Information Request related to the complaints handling and ADR limb of the investigation. As explained at footnote 15, we later amended the scope of the investigation. We consider the 19 questions relevant to the difficulty cancelling limb of the investigation here.
[608] Our full concerns at the time, broken down for each question, are set in Ofcom's letter to Virgin Media of 26 January 2024.
[609] Terms used in this section are as defined in the relevant Information Requests.

contained in its 'Information Centre' but with no explanation of what these documents were or how they were relevant to the question. In its follow-up response, Virgin Media provided (i) the requested description and additional explanation in relation to the process flows initially provided; (ii) copies of other Rocket Science modules not previously provided in its initial response under Question (6) (in particular, 'Appropriate Retain Conversations', 'Disconnecting Customers' and 'Lifestyle Questions' modules); and (iii) the 'Grad Bay' and 'CR Call Type Brief' documents – all of which we consider should have been provided as part of its initial response.

(ii) Question (4)(a) to (c): This question required the provision of the number of cancellation requests received each month during the Relevant Period, including a breakdown of these by method of contact, outcome and repeat calls. In its initial response, Virgin Media provided a spreadsheet ('Data request 29.11.23') but did not provide any explanation of the data contained within it. The follow-up response included an updated spreadsheet with data labels (so that it was *"much clearer for Ofcom to understand which rows of data respond which question or sub-question"*), and an explanation of the different relevant fields. The document Virgin Media provided in its initial response to this question also did not contain the requested information in limb (a) (i.e. the numbers broken down by method of contact) and Virgin Media did not provide the reason for this. In its follow-up response, the spreadsheet was updated to include this information.

(iii) Question (6): This question required the provision of any Agent Cancellation/ Retention Instructions, including as part of the response any instructions in relation to (a) requesting the reason why a customer is leaving (and what agents should do once the customer discloses that reason), (b) discussing or providing information about another broadband provider with the customer, (c) customer handling (including dropped calls, hold and transfers) and (d) notes of customer contact. Virgin Media's initial response only provided information in relation to subsections (a) to (d) and provided four documents under (c) and (d) – Rocket Science modules on 'Dropped Calls', 'Hold' and 'Transfer' under (c) and the Rocket Science module 'Account Notes' under (d)). However, Virgin Media's initial response did not include any written response or documents in response to the main body of Question (6). In its follow-up response, Virgin Media subsequently provided a written response to the main body of Question (6), as well as provided and referred to relevant documents (including two additional Rocket Science modules on 'Lifestyle Questions' and 'Disconnecting Customers', as well as the document 'CR Call Type Brief' which had not been provided in its initial response – all of which we consider should have been provided as part of its initial response).

(iv) Question (7)(a) to (c): This question requested a description of any training provided by Virgin Media, or a third party acting on its behalf, to customer service agents in relation to the Cancellation/Retention Processes or Agent Cancellation/Retention Instructions during the Relevant Period. In addition to the main body of the question, parts (a) to (c) requested specific information on the schedule and frequency of the training (including whether it was mandatory), the tracking of attendance and completion rates. In its initial response, Virgin Media did not provide all the requested information in response to limbs (b) to (c) and did not provide any information about whether there were any additional training modules outside of the induction. Additional information was subsequently provided under limbs (a) to (c) in Virgin Media's follow-up response, which we consider should have been provided as part of its initial response, including:[610]

(a) In relation to limb (b), Virgin Media explained that Retention Agents could not commence their role until the mandatory induction training was completed and there was a *"record of completion"* to monitor attendance.

(b) In relation to limb (c), Virgin Media confirmed that the completion rate for the mandatory induction training was 100%, along with a copy of a document ('Retain Induction') which tracked completion. It also explained that individual agent coaching completion rates for Rocket Science were not measured.

(v) Question (8): This question requested copies of training materials. In its initial response, all Virgin Media provided was the document 'VM Retain Digital VMLD Training content'. This document referred to further content such as audio recordings of example retentions calls, which we consider was in scope of the question and which Virgin Media later provided in its follow-up response.

(vi) Question (9): This question requested a description and details of Customer Retention Targets, along with any policies, presentations, business plans or other documents to support the response. In its initial response, Virgin Media only provided one document ('[Partner A] Targets Nov 2023') as an example of commission targets. It did not provide any accompanying explanation or description of how these targets applied in practice, and this was subsequently provided this in its follow-up response. It also provided significantly more detail and more documentation as part of its follow-up response (including detailed monthly targets slide packs for the Relevant Period). We consider it should have provided this detail and documentation its initial response.

(vii) Question (10): This question requested how commission targets were monitored. In its initial response, Virgin Media confirmed that *"all targets are monitored within the Retain Team manager level, site, partner and for the overall department",* noting that *"metrics within these areas are accessible by all members of staff from Team Managers upwards".* Virgin Media provided the document 'ValuePerformanceScoreCard' as an example of how reports were viewed but it was not clear from this document how targets were monitored in practice as no other commentary or accompanying description was provided. Virgin Media provided an explanation of the monitoring of commission scheme targets and performance in its follow-up response.

(viii) Question (11): This question asked Virgin Media to explain what the consequences were for individual customer service agents who did not meet the Customer Retention Targets, and to provide documents supporting its response. Virgin Media's

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[610] In relation to limb (a), we also note that Virgin Media's initial response did not include information about other mandatory online training modules that Retention Agents received throughout their role, including 'annual refresher' courses and 'new business material' in response to this question. This information was provided in response to Question (22), despite being within the scope of Question 7.

initial response referred to the document ‘Commission Detail’ but did not provide any written explanation and this document did not explain the process for agents who did not meet targets, as required by the question. An explanation, along with two other documents, was provided in the follow-up response.

(ix) Question (12): This question asked for the rates of retention during the Relevant Period, including any breakdown depending on different methods of contact and different types of customers. In its initial response, Virgin Media attached a spreadsheet (‘Data Request 29.11.23’) but did not provide any accompanying description or summary to explain the data provided. Virgin Media’s follow-up response included an updated spreadsheet (‘Data Request 13.02.24’) where the data was more clearly labelled, together with a written explanation. In addition, the spreadsheet provided in Virgin Media’s initial response did not contain the data broken down by method of contact as required by the question – this was included in the updated spreadsheet provided in its follow-up response.

(x) Question (13): Under this question, Virgin Media was required to describe and provide details of any customer service agent commission, incentive or reward scheme in relation to retentions, along with any supporting documents. In its initial response, no such description was provided and instead Virgin Media said that its commission scheme was outlined in the document ‘Commission Detail’ it provided, but with no explanatory notes or explanation on the contents or context of the document. In its follow-up response, Virgin Media provided explanatory notes to the document ‘Incentive_Scheme_Summary’ (which it said superseded ‘Commission Detail’). In its initial response, Virgin Media also provided the document ‘Perfect_Day_23_Briefing_Pack’ (a screenshot of an additional incentive it ran during the Relevant Period) but did not provide an explanation about how that scheme worked; it later provided this in its follow-up response.

(xi) Question (14): This question requested an explanation about whether the customer service agent commission, incentive or reward schemes were available to all customer service agents and whether they were team or call-centre specific. Virgin Media’s initial response explained that the metrics used for targets differed for each team as set out in these documents which were provided, ‘[Partner A]_Targets_Nov 2023’ and ‘Commission Detail’ but with no other accompanying written explanation. In its follow-up response, Virgin Media explained how the targets differed between Tier 1 and Tier 2 Retention Agents and where this was illustrated in ‘[Partner A]_Targets_Nov 2023’.

(xii) Question (15)(a) to (b): This question required a description and provision of any quality assurance policies, processes and procedures in place during the Relevant Period, including (a) any documents which set out or describe such processes and (b) any policies, processes and procedures in place applicable where agent non-compliance or poor behaviour was identified. In its initial response, Virgin Media provided multiple versions of its Compliance Framework, without any accompanying description of these documents or explanatory notes. This was later provided as part of Virgin Media’s follow-up response.

(xiii) Question (17)(b): This question requested analysis, discussion or references (including statistics) in any papers presented to or produced by Governance Bodies in relation to non-compliance with Cancellation/Retention Processes or Agent Cancellation/Retention Instructions. In its initial response, Media stated it did not hold documents. Virgin Media subsequently provided five documents in its follow-up response which we consider fell in scope of Question (17)(b) and therefore should have been provided as part of its initial response.

(xiv) Question (19)(a) to (b): This question requested copies of documents which (a) report on or contain any analysis or reporting on dropped calls (or webchats), and (b) identify of any steps taken by Virgin Media to reduce dropped calls during the Relevant Period. In relation to limb (a), Virgin Media's initial response provided the document 'ContactCentreScorecard' as an example of daily reporting on 'short calls' but did not provide an accompanying explanation of this document or what 'short calls' were. This was later provided as part of Virgin Media's follow-up response. In relation to limb (b), Virgin Media's initial response only provided a copy of its Disciplinary and Dismissal Policy (as provided in response to previous questions) which did not identify steps to reduce dropped calls. In its follow-up response, it provided a full response to the question which explained that the steps taken to reduce dropped calls including training and short call monitoring.

A3.11 Virgin Media's response to the Fourth Information Request also revealed that there were still issues with its responses to the First Information Request, as explained below.

Issues identified following the Fourth Information Request

A3.12 Later into the investigation, and after receiving Virgin Media's response to the Fourth Information request, we identified further key information which either (i) corrected or was inconsistent with information provided in response to the First Information Request, or (ii) should have been included in response to the First Information Request. We set out this information below. In light of this, we have found that Virgin Media's response to the First Information Request was inaccurate and continued to be incomplete even after its follow-up response.

Corrected information from the First Information Request

A3.13 In response to the Fourth Information Request, Virgin Media provided information which we consider corrected or was inconsistent with information provided in response to the First Information Request. This applied to the following questions:

(i) Question (2): In its follow-up response to Question (2) of the First Information Request, which asked for information relating to disconnection and retention processes, Virgin Media provided a 'CR Call Type Brief' document which it explained was provided to *"all Retention Agents"* who were required to sign it prior to commencing their role. On reviewing this document, we noted that it carried [✄] (now [Partner A]) branding, and we asked in Question (6) of the Fourth Information Request if there was an equivalent document in place for [Partner B] Retention Agents. In response, Virgin Media confirmed that it had not mandated the document for use and, instead, it was implemented by [Partner A] in March 2022 as an internal control mechanism to supplement training content issued by Virgin Media for

[Partner A] Retention Agents only. It did not therefore apply to *"all Retention Agents"*.[611]

(ii) Question (2)(c): This question of the First Information Request asked Virgin Media about the teams and agents involved at each stage of the cancellation/retention process. In its initial response, Virgin Media provided a document referring to IVR and call routing.[612] We subsequently asked Virgin Media to clarify and explain the IVR and call routing process. Virgin Media stated in its follow-up response that approximately 66% of calls to the Retention Team were routed to Tier 2 Retention Agents in the first instance, with the remainder being routed to Tier 1. Question (25) of the Fourth Information Request asked whether this statistic was the same throughout the Relevant Period. In its response, Virgin Media explained that *"the methodology for calculation as described to Ofcom was incorrect",* and that the 66% figure applied to all calls transferred to Tier 2 (including those transferred by Tier 1). It provided data that showed the correct figure for customers initially directed by the IVR to Tier 2 was 48%.[613]

Information not provided in response to the First Information Request

A3.14 In response to the Fourth Information Request, Virgin Media provided information which we consider was in scope of the First Information Request and therefore should have been provided at that time. This applied to the following questions:

(i) Question (6)(c): This asked Virgin Media to provide copies of any Agent Cancellation/Retention Instructions in relation to "handling contact and communications with customers, including dropped contacts and abandoned contacts, the use of call hold and transferring customers to other agents or departments". In response to Question (26)(b) of the Fourth Information Request, Virgin Media provided a copy of the Rocket Science module 'FTR 'First Time Resolution' (introduced in March 2022) which included advice to agents that they should not *"transfer a customer to another department if you can resolve the issue"* and to *"always take full contact information …* [in case] *the call drops* [so] *you can contact the customer back straight away"*. Despite this falling within scope of Question (6)(c) of the First Information Request, this was not provided at the time. Virgin Media did not explain why it was not provided before this point.

In addition, in response to Question (24)(c) of the Fourth Information Request, Virgin Media provided two documents ('Transferring to Collections – Getting it right first time – 29th February 2024' and 'Transferring to Collections – 3rd May 2024'). These documents were examples of communications to Retention Agents, and both referred to a Rocket Science module titled 'Transfers to Collections'. Virgin Media did not provide a copy of this module as part of its response to the Fourth Information Request, nor as part of its response to the First Information Request. It is our assumption that this module likely contained guidance on the circumstances in which customers should be transferred to Collections and we therefore consider that it would have fallen in scope of Question (6)(c) of the First Information Request and

[611] Initial Response to Fourth Information Request, 29 April 2025, Question (6).
[612] Initial Response to First Information Request, 29 November 2023, Question (2)(c), *'IVR & Call routing'*.
[613] Initial Response to Fourth Information Request, 29 April 2025, Question (25), *'IVR stats'*.

therefore should have been provided at the time. Virgin Media did not explain why it was not provided before this point.

(ii) Question (7)(c): Question (7)(c) of the First Information Request asked for information on completion rates for Retention Agents, in reference to *"any training provided by Virgin Media, or a third party acting on its behalf"*. In its response, Virgin Media provided information about the completion of its induction training.[614] However, it did not provide any completion rates for other mandatory training, and it was not until we specifically requested this as part of Question (4)(iii) of the Fourth Information Request that it provided such information. We consider that this information was within scope of Question (7)(c) of the First Information Request and should have been provided in response to that request.

(iii) Question (15)(b)(ii): In Question (15)(b)(ii) of the First Information Request, we asked Virgin Media about its disciplinary procedures for Retention Agents. In response, Virgin Media advised that third-party providers typically followed a similar process to Virgin Media's internal performance management process. This process was as follows: (i) in the first instance of non-compliance with processes, the Retention Agent would be warned and provided with coaching; (ii) in the second instance, the Retention Agent would be warned again and provided with additional training or support; and (iii) in the third instance, the Agent would be placed on a PIP.

(iv) Question (17)(a) of the Fourth Information Request asked Virgin Media to explain how it monitored failed compliance checks for Retention Agents, including via its third-party partners.[615] In response, Virgin Media explained that it had completed a full review of the procedures used by both [Partner B] and [Partner A] (something which it appears was not done as part of its response to the First Information Request).[616] Virgin Media advised that from April 2023,[617] [Partner A] had been following a process which we consider to be substantially different from Virgin Media's internal approach. Specifically, (i) from April 2023 to September 2023, [Partner A] had changed the threshold for a PIP so that repeated failures of the "Hold" attribute (amongst others) would no longer trigger a PIP, and (ii) from October 2023 to September 2024, [Partner A] replaced attribute monitoring with the monitoring of the overall compliance score.

Virgin Media is responsible for the activities its third-party partners carry out on its behalf and is considered to hold – and therefore required to provide where relevant – any information or documents created, issued or otherwise held by them to the extent that they relate to activities carried out its behalf. It is therefore our view that Virgin Media should have checked with third parties whether they held any documents within the scope of relevant questions and ensure appropriate searches were carried out as part of its initial response. Virgin Media failed to do so despite

[614] Follow-up response to First Information Request, 16 February 2024, Question (7)(c), *'Retain Induction'*.
[615] The question also requested supporting documents, including those held by third-party providers.
[616] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(a).
[617] All of the relevant Information Requests and responses were after April 2023. Specifically, the First Information Request was dated 18 October 2023, the Initial Response was received on 29 November 2023, with the Follow-up Response being received on 16 February 2024.

Ofcom's warning letter identifying issues with Virgin Media's initial response to this question (and requesting Virgin Media provide a *"full response"* to the question).

A3.15 More generally, Ofcom's warning letter identified issues with all of Virgin Media's initial responses to the questions listed above in paragraphs A3.13 and A3.14 (except for Question (6)(c)). Our determination is that Virgin Media therefore twice failed to provide complete and accurate responses and did so despite our warning letter identifying the gaps in Virgin Media's initial response and reminding Virgin Media about the consequences of failing to provide complete and accurate information.

Third Information Request

A3.16 In the Third Information Request, Ofcom requested copies of audio call recordings, webchat transcripts and other written correspondence relating to a number of CCT complaints made by 96 Virgin Media customers between August 2023 and February 2024. 15 of the 96 customers had not made contact with Virgin Media by Voice. 11 had made Voice calls but, these were prior to 23 August 2023, and the recordings of them had been automatically deleted.[618]

A3.17 With its response, Virgin Media provided an index ('**the Index**'), which listed all the relevant Voice calls it had identified.[619] The Index identified a total of 275 Voice calls as having taken place but, of these, 119 call recordings were unavailable. In total, Virgin Media therefore provided 156 call recordings. This meant that, out of the 70 individual customers who had made Voice calls and were within scope of the request, Virgin Media only provided complete call histories for 28 customers and provided no call recordings at all for 9 customers.[620]

A3.18 After assessment of the calls Virgin Media did provide, and after the removal of calls that were considered to be out of scope of the Relevant Behaviours and/or the two-tier cancellation process (see paragraph A2.11), we identified 47 call recordings that corresponded to 25 unique customers who had made a complaint to Ofcom's CCT about experiencing Relevant Behaviours and/or the two-tier cancellation process.

A3.19 If more of the calls identified in the Index as not available (119 calls out of 275) had been available, then we consider it likely that we would have identified further examples of how, and the extent to which, Retention Agents used the Relevant Behaviours and/or two-tier cancellation process to disincentivise switching and how those procedures impacted customers in practice. The amount of missing material meant the full extent of what happened to many of these individual customers could not be determined.[621]

[618] Virgin Media advised Ofcom in a meeting on 27 February 2024 that it had suspended the automatic deletion of any audio call recordings from 23 August 2023 onwards – some of the call recordings relevant to the Third Information Request were lost due to predating the point at which autodeletion came into effect.
[619] Response to Third Information Request, 4 December 2023, *'Index of Relevant Correspondence'*.
[620] Whilst in most instances these were individual calls, there were three individuals who had made multiple calls – all of which were listed as unavailable. The following details the original CCT reference, as well as the total number of calls in brackets (if more than one); CCT-120(7); CCT-138; CCT-121; CCT-113; CCT-142; CCT-140(3); CCT-143; CCT-145(2); CCT-119.
[621] For example, CCT reference CCT-135. The complainant states they experienced multiple issues whilst attempting to cancel. The Index shows the complainant made four calls, but only one call recording was provided.

A3.20 For example, one customer stated that their call had been disconnected each time they called Virgin Media to request cancellation of their services.[622] The Index showed that this customer made 22 calls to Virgin Media between 8 September and 9 October 2023. Virgin Media provided recordings for seven of these calls, with the rest being marked as not available. Similarly, another complainant referred to multiple dropped calls when they attempted to cancel services.[623] The Index showed that this customer called Virgin Media 16 times between 6 September 2023 and 13 September 2023, but only three call recordings were provided.

A3.21 Virgin Media provided the following few reasons why, outside of Virgin Media's above mentioned deletion policy, this material was unavailable:

(i) Virgin Media advised that this was mainly "*as a result of the recording containing customer payment information (e.g. payment card or bank account details). … Payment information is identified using speech analytics, with relevant recordings deleted from the [✂] system twice a week.*"[624] However, two of the call recordings provided included a part where the calls were redacted when payment information was about to be taken from the customer,[625] suggesting that the whole call may not be deleted.

(ii) Another reason Virgin Media gave was that: "*certain voice calls were not recorded as a result of technical issues and system outages. The [✂] system used during the Relevant Period to record voice calls, and to store those recordings, is a legacy system that is at the end of its life and is no longer supported by the vendor.*"[626] Virgin Media noted that there were several such outages and other outages during the Relevant Period that resulted in a short-term inability to record calls.

A3.22 For these reasons, Virgin Media failed to provide all the information requested in the Third Information Request and our conclusion is that these failings demonstrate poor record keeping.

Fourth Information Request

A3.23 The Fourth Information Request was aimed at clarifying information that was provided in response to previous information requests. Ofcom agreed to extend the deadline for the response following Virgin Media's request. It was split into two separate dates (with the first set of questions answered on 29 April 2025 and the remaining information provided on 9 May 2025).

A3.24 It is our conclusion that Virgin Media's response to the Fourth Information Request did not include full answers to some of the questions, missed some information and included out-of-scope information. This applied to the following questions:

[622] CCT reference CCT-137.
[623] CCT reference CCT-122.
[624] Response to Third Information Request, 4 December 2023, Question (1). *'[✂]'* is the name of the IT platform that Virgin Media used at the time to manage telephone calls and store the corresponding call recordings.
[625] VMCR-35-004, 30 October 2023; and VMCR-60-001, 2 October 2023.
[626] Response to Third Information Request, 4 December 2023, Questions (2)(b)-(d)(i).

(i) Question (17)(d): This question requested information on recorded informal actions taken against Retention Agents who failed multiple compliance checks on the same attribute within three or four months. In response, Virgin Media provided the 919-page document '[Partner A] Informal 2022' which it stated contained 250 instances of informal action from 2022 and a folder 'Q17 (d)' containing 945 individual documents (mostly comprising of one to two pages) which it stated contained 945 instances of informal action from 2023 onwards. However, we consider that 660 instances (out of a total of 1188) were outside of the scope of the question for the following reasons:[627]

(a) 93 were dated outside of the Relevant Period;

(b) 567 did not relate to an attribute relevant to the question – either one of the relevant attributes (i.e. 'Hold', 'Switching', 'Accuracy of Work Order' or 'Account Notes', or one of the others cited by Virgin Media in response to this question ('Next Steps' and 'Complaints Handling'); and

(c) Nine were also contained in 13 pages which were either blank or unreadable.

Over 1,500 pages of material were provided in relation to these instances which we consider to be out of scope.

(ii) Question (18)(a): This question asked for how many short calls there had been every month throughout the Relevant Period. Virgin Media's response, however, only provided short call data for July 2024 – September 2024. Virgin Media did not provide an explanation for why it did not provide data for the full Relevant Period.

(iii) Question (19)(b)(ii)): This question asked Virgin Media what follow-up action was taken in relation to Retention Agents who had two or more instances of valid Churn Feedback recorded against them and to provide documents to evidence its response. In response, Virgin Media stated its partners had taken disciplinary action against *"a number of agents"* but did not confirm how many or provide documentation evidencing the action taken. It said: *"In the time available, Virgin Media's partners have not been able to provide a full suite of information"* but did not provide prior warning or inform Ofcom of this ahead of its response. We would have expected its response to this question to have been based on accessible and readily available information, and so our view is that its failure to provide this evidence at least demonstrates poor recording keeping and undermines Virgin Media's ability to check that the information it provides to Ofcom is accurate and complete.[628]

[627] Follow-up Response to Fourth Information Request, 9 May 2025, Question(17)(d), *'[Partner A] Informal 2022'* (evaluation reviews from 2022 – our analysis identified 243, rather than 250 as stated by Virgin Media); and sub-folder *'Q17(d)'* contained 945 individual documents (evaluation reviews from 2023 onwards). Three of the documents provided in *'[Partner A] Informal 2022'* related to formal action and are considered within that context; two documented discussions (*'[Partner A] Informal 564' and '[Partner A] Informal 565'),* and one PIP on improving overall evaluation scores (*'[Partner A] Informal 569*').

[628] Virgin Media did provide some example coaching conversations, which also referred to a 5% deduction being made to commission due to a disconnection not being logged when it should, in its response to an earlier request (Response to Second Information Request, 28 August 2024, Question18(d)(iv)).

A3.25 Virgin Media's response to the Fourth Information Request revealed that some information was not, or was no longer, available. For example, this applied to the following questions:

(i) Question (17)(c): Question (17)(c) of the Fourth Information Request asked Virgin Media to identify any instances of recorded formal action taken against Retention Agents who failed three or more compliance checks against the same attribute within a three-month period during the Relevant Period (including any instances of Retention Agents being subject to a PIP or formal disciplinary proceedings), as well as evidence of the action taken and outcome in each of those instances. In response, Virgin Media provided 93 documents relating to instances of follow-up action:

(a) 80 of these documents related to [Partner A] Retention Agents. Of these, three related to formal action following issues that took place during calls[629] and two related to formal action following issues that took place during webchats.[630] The remaining 75 instances we did not consider to be relevant to the question (including as a result of appearing to only relate to informal action or being dated outside of the Relevant Period).[631]

In relation to [Partner A], Virgin Media explained that, it had confirmed that some records had not been provided as documentation had been archived for (i) for agents who no longer work for [Partner A] and (ii) for sites in [✂] and [✂] which ceased working as Virgin Media third-party supplier sites in April 2024 and October 2024 respectively. It did not give any indication of how many of these there may be. For these, Virgin Media explained that a Data Subject Access Request would be required which it said it had not had time to undertake (though we note that Virgin Media did not provide prior notice of this ahead of its response to Ofcom). However, it advised that the information in this archive was *"unlikely to hold full detail of Performance Improvement Plans and the specifics of any disciplinary action taken"* as [Partner A] had indicated that the information in the archive only contains basic employment information.

(b) 13 of the 93 documents that Virgin Media provided related to **[Partner B]** Retention Agents. Seven of these related to written warnings about *"unnecessary placing the call on hold/dead air for more than 2 minutes"*.[632] The remaining six instances were not relevant to the question because they either related to a coaching conversation (i.e. not formal action) or to a written warning that was issued for conduct that took place after the Relevant Period.

[629] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(c), sub-folder *'Q17 (c)'*, sub-folder *'Annex 17(c) [Partner A] Formal'*, *'[Partner A] Formal 6'* (formal hearing); *'[Partner A] Formal 57'* and *'[Partner A] Formal 58'* (both documented discussions).

[630] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(c), sub-folder *'Q17 (c)'*, sub-folder *'Annex 17(c) [Partner A] Formal', '[Partner A] Formal 18'* and *'[Partner A] Formal 67'* (written warnings).

[631] We do not consider these as relevant for the following reasons: (i) 24 only related to feedback or coaching and not formal action; (ii) 31 were either dated outside of the Relevant Period, were duplicates or blank and (iii) 20 contained a general warning that the agent concerned had failed one or more of a list of top areas, of which hold was listed, without stating which it was, rather than formal action.

[632] Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(c), sub-folder *'Q17 (c)'*, sub-folder *'Annex 17(c) [Partner B] Formal', '[Partner B] Formal [multiple documents]'*, nos. 1, 2, 9, 10, 11,12, 13.

In relation to [Partner B], Virgin Media explained that data for its [✂] site (which stopped providing Retention Customer Service functions in July 2024) was also *"archived"*, and that [Partner B] had provided two pieces of documented evidence for the [✂] site, which it advised was *"all of the data available"* for this location.[633]

(c) Virgin Media also said both [Partner A] and [Partner B] had explained that it was common for an agent to leave the business when they were subject to disciplinary processes but prior to any disciplinary action being taken, so that it did not become part of their employment records.

In Virgin Media's response to Question (17)(b) (requesting how many times individual Retention Agents had failed specified attributes), it explained that there were over 4,000 unique agents who failed against the same one of the specified attributes three or more times in any 3-month period. Although Virgin Media explained why in some cases these failures would not result in an agent being subject to a PIP or other formal disciplinary proceedings, it only provided 12 instances of formal action in response to this question. [634] We identified a further seven instances among information on informal follow-up action that was taken,[635] taking the total number to 19 instances of formal action.[636]

Our view is that, where [Partner A] and [Partner B] operated sites at the time of our request, any records of formal action against Retention Agents held by those sites should have been readily available and accessible to Virgin Media and provided to Ofcom. We recognise that (i) in some circumstances, an agent may have ceased working for a third-party partner before formal action was taken (though an investigation may have been instigated/completed); and (ii) archived information – relating to three [Partner A] sites that had ceased working for Virgin Media, or to agents that had ceased working for either of [Partner A] or [Partner B] – may not contain evidence of formal action. However, we consider that it is unlikely that these two scenarios account for Virgin Media only providing 19 instances of formal action compared with the over 4,000 instances where individual agents failed the same attribute three or more times in any three-month period Virgin Media referred to in its response to Question (17)(b) of the Fourth Information Request. We consider that either there is no further evidence

[633] Virgin Media did not identify which two of the 13 documents it provided for [Partner B] this related to.
[634] Five related to [Partner A] Retention Agents, including documented discussions and formal hearings, seven were formal warning letters issued to [Partner B] Retention Agents after the Relevant Period that related to issues identified towards the very end of the Relevant Period.
[635] Response to Second Information Request, 28 August 2024, Question (10)(d)(iv), '*Feedback Conversations – Redacted 1'*, pages 71-81 (formal hearing); '*Feedback Conversations – Redacted 1'*, pages 122-124 (probation hearing); Question (10)(e)(ii), *'Action on Failed Compliance- Redacted 6*' pages 15-16 (documented discussion); *'Action on Failed Compliance Redacted 4*', pages 1-3 (invites relating to two disciplinary hearings);
Follow-up Response to Fourth Information Request, 9 May 2025, Question (17)(d), sub-folder *'Q17 (d)'*, sub-folder *'Annex 17(d) [Partner A] Informal', '[Partner A] Informal 564'* and *'[Partner A] Informal 565'* (documented discussions).
[636] The scope of Question (17)(c) of the Fourth Information Request was not confined to just Voice and therefore the number of instances of formal action cited here for the purposes of this Annex are higher than those cited in the findings we make in Section 4.

of any formal action being taken or that Virgin Media's third-party partners failed to record what other formal action was taken. In this context, we are unaware of any clear or consistent data retention policy requiring [Partner B] and [Partner A] to record evidence of formal action.

(ii) Question (21) and (26): In Questions (21) and (26) of the Fourth Information Request, we requested updated call handling and transfer data. In response, Virgin Media provided data but the months of January 2022 to October 2022 were missing. Virgin Media explained that, as a result of migrating to a different storage system in November 2022 and changes made to the data platform in July 2024 (the latter of which was once the investigation was open and ongoing), accurate information for the January 2022 to October 2022 period was unavailable.

(iii) Question (3)(a): Question (3)(a) of the Fourth Information Request requested a list of the wider suite of 133 training modules, and for Virgin Media to explain how training modules relevant to the Cancellation/Retention Process and/or Retention Agent Behaviours were presented to Retention Agents as part of the training. Virgin Media explained that they were unable to download materials stored on their learning platform as the platform was decommissioned on 15 November 2024 (when the investigation was open and ongoing), with the responsibility for hosting training materials being moved to the Partners themselves.

A3.26 For the reasons set out above, we consider Virgin Media's response to the Fourth Information Request was missing important information. It is our view that this was as a result of Virgin Media's poor record keeping, Virgin Media's document preservation during a live and ongoing investigation and/or its control, visibility and oversight of third-party partners. In particular, Virgin Media provided very limited records of formal follow-up action taken against Retention Agents at sites operated by third parties in response to the Fourth Information Request. We have found that either Virgin Media failed to ensure its third-party partners were taking appropriate formal action or failed to ensure its third-party partners had in place clear or consistent data retention policies.